

VISIT...

LANZAROTE
Caliente.COM

U.S. NEWS

Fed Views Digital Currency With Caution

By YUKA HAYASHI

WASHINGTON—The Federal Reserve is in no hurry to issue a digital currency, Chairman Jerome Powell said Monday, citing unresolved concerns including the potential for theft and fraud.

Central banks around the world are stepping up research on the costs and benefits of central-bank digital currencies, which could supplement existing national currencies. China is ahead of other nations, after rolling out a homegrown digital currency in April across four cities in a pilot program.

“We do think it’s more important to get it right than to be the first,” Mr. Powell said at a panel organized by the International Monetary Fund. “Getting it right means that we not only look at the potential benefits of the CBDC, but also the potential risks and

also recognize the important trade-offs that have to be thought through carefully.”

Potential benefits include faster and less costly international transactions, Mr. Powell said. But the Fed must also consider the risk of cyberattacks, counterfeiting and fraud, as well as the impact on monetary policy and financial stability.

Mr. Powell said the dollar’s central role in global financial transactions makes it essential to get a digital currency right while remaining on the frontier of research and policy development. Some \$2 trillion worth of dollar notes are in circulation, half held outside of the U.S.

“Use of and trust in the dollar comes from the reliable rule of law, strong and transparent institutions, deep financial markets and an open capital account,” he said. “A healthy and efficient payments

Recession Possibly Ended, Clarida Says

A top Federal Reserve official said the U.S. economy could stage a faster recovery from the coronavirus-induced recession than it did following the 2008 global financial crisis.

Fed Vice Chairman Richard Clarida said it is possible that the recession that began in March already has ended, though it could take another year before broad measures of

economic output fully recover to their pre-pandemic levels.

In remarks delivered virtually at a banking-industry conference Monday, Mr. Clarida said the strong rebound in part reflected aggressive actions by policy makers at the Fed, in Congress and the White House to maintain access to credit and to provide relief to households and businesses. “Additional support from monetary—and likely fiscal—policy will be needed,” Mr. Clarida said.

He didn’t go into specifics about what steps the Fed might

take after it last month made more explicit its plans to hold interest rates lower for longer than it has done in past economic downturns. Most officials in projections last month indicated they expect to hold rates near zero for at least three years. The Fed isn’t expected to take new policy action at its next meeting on Nov. 4-5.

Mr. Clarida said the path of the recovery will be shaped in part by the course of the virus, social-distancing responses and other mitigation efforts.

—Nick Timiraos

which last year totaled nearly \$500 billion, according to the World Bank. This year, those flows are projected to decline 20%, putting a further strain on the already struggling economies.

Mr. Powell pointed to the importance of engaging technology companies and other stakeholders in discussing digital currencies. He said Facebook Inc.’s plan for its global money, Libra, “highlighted the need to improve cross-border payments and generally succeeded in focusing attention on payments-related issues, including consumer protection, cybersecurity and privacy.”

The Federal Reserve has its own research projects under way, he said, including the development of a hypothetical central-bank digital currency in tandem with researchers from the Massachusetts Institute of Technology.

system demands these features, which reach far beyond merely technological.”

IMF Managing Director Kristalina Georgieva highlighted the need to improve international transactions, which are currently slow and costly, particularly for overseas workers who send money back to their families in low- and middle-income countries.

“We have a chance to improve cross-border payments with huge benefits especially for many of the world’s poorest people, and there is a pressing need to do so,” she said.

Workers who send money home pay fees that average 7% of the transfer amount, she said, more than twice the target set by the United Nations’ sustainable development goal.

The issue is more pressing as the coronavirus pandemic disrupts such remittances,

U.S. WATCH

HEALTH

Flu Shots Required At More Colleges

More colleges are requiring students, faculty and employees to provide proof they received a flu vaccine as schools try to reduce the chances of a flu outbreak in the midst of the coronavirus pandemic.

At Wayne State University in Detroit, any student or employee who plans to be on campus for even one day this fall or winter had to get a flu vaccine or register with an exemption by Oct. 15. The school made flu vaccines free for all students and employees this year.

At schools with flu shot requirements, those who don’t get the shot might face consequences. At the University of North Carolina at Charlotte, students and employees must attest that they received a flu shot—or claim a medical, religious or personal exemption. Ignoring the requirement could result in being locked out of their school email account, a university spokesman said.

In a sample of 86 colleges and universities, about 14% are requiring flu shots, according to preliminary data from the American College Health Association, an organization that researches health on college campuses.

—Maya Goldman

ALASKA

Earthquake Triggers Tsunami Warning

A reported 7.5 magnitude earthquake off the Alaska Penin-



WILD RIDE: Dylan Kassner, 5, took a spin on the newly painted skate park and pump track in Florida's Haulover Beach Park on Monday.

sula on Monday prompted a tsunami warning, leading some schools to evacuate and send students to higher ground.

Paul Caruso, a geophysicist with the U.S. Geological Survey, said an earthquake of this size in this area isn’t unusual. “This is an area where the Pacific Plate is subducting underneath the North American Plate. And because of that, the Pacific Plate actually goes underneath the North American Plate, where it

melts,” he said.

Public-safety officials in King Cove sent out an alert urging residents in the coastal area to move inland to higher ground. Some schools in the Kenai Peninsula Borough School District evacuated to higher ground, the district said.

The National Tsunami Warning Center in Palmer said a tsunami warning was in effect for roughly 950 miles, from 40 miles southeast of Homer to

Unimak Pass, about 80 miles northeast of Unalaska.

“It was a pretty good shaker here,” said David Adams, co-manager of Marine View Bed and Breakfast in Sand Point. “We’re doing OK.” He said all guests were accounted for and “the structure itself is sound.”

“You could see the water kind of shaking and shimmering during the quake,” he said. “Our truck was swaying big time.”

—Associated Press

LOS ANGELES

Woman Sought In Subway Stabbing

A woman was being sought Monday in the fatal stabbing of a Metro employee on a subway train, authorities said.

Police released security camera images showing a woman estimated to be 25 to 30 years of age walking with a distinctive green bicycle. Police said the at-

tack began with a verbal dispute aboard a Metro Red Line train in the downtown 7th Street and Metro Center station on Oct. 16.

“The dispute escalated and the suspect armed herself and stabbed the victim,” police said. The employee died that night at a hospital, the Los Angeles County Metropolitan Transportation Authority said.

—Associated Press

FLORIDA

State Cracks Open Illegal Squirrel Trade

Flying squirrels were being trapped in Florida, driven to Chicago and shipped to South Korea, Florida wildlife officials said Monday while announcing charges against seven people they say ran an illegal wildlife trafficking operation.

Poachers set as many as 10,000 squirrel traps in central Florida and captured up to 3,600 flying squirrels over a three-year period. They sold the squirrels to a licensed wildlife dealer who claimed they were bred in captivity and not wild, the Florida Fish and Wildlife Conservation Commission said. Flying squirrels are a protected species.

The agency said the Florida dealer received more than \$213,000 for the animals. The international retail value of the poached flying squirrels is estimated to be more than \$1 million.

The seven people charged face a total of 25 felonies, including racketeering, money laundering and scheming to defraud. Six of the suspects have been arrested and a seventh remains a fugitive.

—Associated Press

Car Makers Probe Fires In Batteries

Continued from Page One

tionally, analysts said these kinds of battery-related fires are relatively rare, with an uptick to be expected from the growing numbers of battery-powered cars on the road.

Still, the incidents illustrate the hurdles auto makers face with electric technology, particularly in managing energy-dense and flammable lithium-ion batteries that have previously caused fires in laptops, tablets and other devices.

Global car companies are racing to increase their electric-vehicle offerings in the midst of tougher regulations that aim to reduce greenhouse-gas emissions from transportation. Ford has said its recall means the company must join with another auto maker to avoid fines in Europe this year.

To meet the more-stringent requirements, the auto industry has placed big bets on an electrified future, committing about \$200 billion to electrification over the next four years, according to consulting firm AlixPartners LLP.

The lithium-ion batteries in electric cars are similar to those found in consumer electronics, which store large amounts of energy relative to their size. But to power an automobile, there needs to be more of them, and the demands are higher, creating a unique risk.

“When they do fail, they bring a lot more to the party, so to speak,” said Nick Warner, principal at Energy Storage Response Group LLC, an energy safety and testing firm in Columbus, Ohio.

While fires can occur after crashes, many of the recent incidents are notable for involving electric vehicles that were parked when the fire broke out.

For instance, one Chevy Bolt owner told federal regulators that the vehicle was plugged into a charger in the driveway when the blaze started, according to the complaint posted to the National Highway Traffic Safety Administration’s website. NHTSA investigators received another complaint from a second owner and found a third Chevy Bolt in an insurance auction lot with a similar burn pattern.

GM said that it is cooperating with the probe, which covers 2017 to 2020 model-year Bolts, and that safety is its highest priority. The company and its supplier have together put more than 2,500 hours into safety tests of the Bolt’s battery, a spokesman said.

Hyundai is recalling about 77,000 electric Kona SUVs globally after about a dozen battery-related fires, including one in a residential garage in Montreal, the company said.

Additionally, BMW said fire risks related to a quality issue at its battery supplier have led it to recall about 27,000 plug-in hybrids globally.

In Europe, Ford this summer recalled about 20,500 plug-in hybrid SUVs and warned owners not to charge their vehicles after reports of



The Chevrolet Bolt is one of several types of electric vehicles in which lithium-ion batteries have caught fire. An auto show in Toronto.

seven fires. The auto maker said the batteries can overheat and vent hot gases, which can then cause other parts of the vehicle to ignite. Ford has now delayed the launch of a similar plug-in hybrid Escape in the U.S. into next year.

Hyundai, Ford and BMW said they believe the issues are related to manufacturing defects from their battery suppliers. LG Chem, which supplies the batteries for the Hyundai Kona, said it is participating in the investigation into the fires

CORRECTIONS & AMPLIFICATIONS

Means Cameron is 33 years old. A Page One article Monday about the economy in Cincinnati incorrectly stated his age as 36.

BlackRock Inc. reported \$7.8 trillion in assets under management for the third quarter. The Score in Saturday’s Exchange section incorrectly said \$7.8 billion.

High unemployment numbers are associated with the

Covid-19-induced recession. A Business & Finance News article Saturday about custodian banks’ quarterly earnings incorrectly referred to high employment numbers.

Notice to readers

Wall Street Journal staff members are working remotely during the pandemic. For the foreseeable future, please send reader comments only by email or phone, using the contacts below, not via U.S. Mail.

THE WALL STREET JOURNAL
(USPS 664-880) (Eastern Edition ISSN 0099-9660)
(Central Edition ISSN 1092-0935) (Western Edition ISSN 0193-2241)

Editorial and publication headquarters: 1211 Avenue of the Americas, New York, N.Y. 10036

Published daily except Sundays and general legal holidays.
Periodicals postage paid at New York, N.Y., and other mailing offices.

Postmaster: Send address changes to The Wall Street Journal, 200 Burnett Rd., Chicopee, MA 01020.

All Advertising published in The Wall Street Journal is subject to the applicable rate card, copies of which are available from the Advertising Services Department, Dow Jones & Co. Inc., 1211 Avenue of the Americas, New York, N.Y. 10036. The Journal reserves the right not to accept an advertiser's order. Only publication of an advertisement shall constitute final acceptance of the advertiser's order.

Letters to the Editor: Fax: 212-416-2891; email: wsjlttrs@wsj.com

Need assistance with your subscription?
By web: customercenter.wsj.com; By email: wsjsupport@wsj.com
By phone: 1-800-JOURNAL (1-800-568-7625)

Reprints & licensing:
By email: customreprints@dowjones.com | By phone: 1-800-843-0008

WSJ back issues and framed pages: wsjshop.com

Our newspapers are 100% sourced from sustainably certified mills.

GOT A TIP FOR US? SUBMIT IT AT WSJ.COM/TIPS

U.S. NEWS

Sides Edge Closer in Talks for Stimulus

By Kristina Peterson

House Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin edged closer on some policy differences holding up a sweeping coronavirus relief package, but disputes remained Monday as the two worked to see if a deal could be struck before the election.

Over the weekend, Mrs. Pelosi, the California Democrat, indicated that the White House needed to reach a deal by Tuesday evening with Democrats to produce relief legislation that could pass before the election.

"We'll see what tomorrow will bring," Mrs. Pelosi said Monday night on MSNBC. "We're going to try to get something done."

Mrs. Pelosi's spokesman, Drew Hammill, said on Twitter that she hoped to "have clarity on whether we will be able to pass a bill before the election" by the end of Tuesday.

While both sides said they were still working toward a deal, both Mrs. Pelosi and White House chief of staff Mark Meadows spoke coolly at times of the other party's priorities, a sign that finger-pointing over a lack of an agreement could be-

Finger-pointing could begin swiftly if Tuesday's deadline is missed.

gin swiftly if Tuesday's deadline is missed.

"There's one person who really hasn't conceded anything over the last 60 days, which has been Speaker Pelosi," Mr. Meadows said Monday night on Fox Business Network. "This arbitrary deadline that the speaker put forth is really something more about her playing politics and trying to blame President Trump for not dealing with this Covid relief package."

On a call with House Democrats in the afternoon, Mrs. Pelosi expressed some optimism, but said the two sides were still discussing how much money to provide state and local governments, child-care facilities and how to structure a national plan for testing and contact tracing of the virus.

"We have different values. We don't have shared values," Mrs. Pelosi said on MSNBC, although she noted that progress had been made in the last 24 hours on the testing issue. Over the weekend, she said, the administration had pushed to water down the language and still leave many decisions up to state governments.

Mrs. Pelosi asked Democratic committee chairs to work with their GOP counterparts to hash out agreements on some of the lingering issues, Mr. Hammill said.

The White House's latest \$1.88 trillion offer narrowed the difference with the \$2.2 trillion relief bill passed by House Democrats earlier this month, but a new overall spending level hasn't been agreed upon.

After months of start-and-stop negotiations, there was skepticism among congressional aides from both parties Monday that a deal was near. Republicans worried that Mr. Mnuchin was ceding too many policy points to Mrs. Pelosi in an effort to deliver a deal to Mr. Trump, eager to secure a last-minute victory two weeks before the election.

Democrats, meanwhile, worried that a deal struck between Mrs. Pelosi and Mr. Mnuchin might get rejected by the GOP-controlled Senate, where Republicans have balked at its spending level and some policy provisions.

Senate Majority Leader Mitch McConnell (R., Ky.) said Saturday that if the administration reached a deal with Mrs. Pelosi, the Senate would consider it, though he didn't offer any guidance on timing.

Meanwhile, Senate Republicans prepared to bring up two bills aimed at highlighting their support for more modest coronavirus relief.

◆ Dow falls as stimulus remains uncertain..... B1

More Schools Open In-Person Classes

By Leslie Brody

After starting school virtually because of the pandemic, some districts are opening doors and allowing students back for the first time.

Public schools that opened for in-person learning this month, or plan to, range from suburban districts in North Carolina's Wake County to city systems such as Indianapolis, Des Moines in Iowa and Miami-Dade in Florida. Schools in Houston started to welcome students inside Monday.

New daily cases of Covid-19 have been trending up nationwide since mid-September, but relatively few have been found in K-12 schools that have been open already. School leaders are finding they can successfully enforce measures such as mask wearing, social distancing and cleaning routines.

Determining when and how to bring children back to classrooms has been a fraught process in many places, as district chiefs and families consider the risk of illness against loneliness, the need for parents to work and the fear that students might lose academic skills.

Some districts that began with a mix of online and in-person learning are now increasing face-to-face days. That includes New Canaan, Conn., where Superintendent Bryan Luizzi is deeply aware of how dangerous the new virus can be. His 79-year-old father died of Covid-19 in the spring.

Mr. Luizzi has been determined to bring students back for a full schedule, after they started in August with two or three days a week on campus. For the first time since March, on Thursday its middle school welcomed nearly all of its 1,350 students back for face-to-face instruction every day.

"The work we do in school really, really matters and it's not the same when they're not here," Mr. Luizzi said as students in masks hopped off orange buses. "This is their life."

New Canaan, a wealthy town, has spacious school grounds, money for safety



Administrators greeted students as they prepared to enter Saxe Middle School in New Canaan, Conn., last week.

measures and a low community-infection rate. Reopening decisions are harder in districts facing higher virus rates, budget cuts, poor ventilation or reliance on public transportation.

In the Highline school system near Seattle, for example, officials decided this month to remain fully remote through at least Jan. 28. Superintendent Susan Enfield told families the district didn't meet the Washington state threshold for considering reopening: fewer than 75 new Covid-19 cases per 100,000 residents in a 14-day period. Local authorities predict a winter surge.

"I am desperate to get children back in school," Ms. Enfield said Thursday in a webinar for educators and policy makers run by the American Enterprise Institute, "but I cannot in good conscience say to my staff and teachers and families and kids: Come back in

person when our rates are that high."

There is no comprehensive national data showing how many of the nation's 13,000-plus K-12 public school districts have opened for in-person instruction or how many students in each district have contracted Covid-19.

About 415,700 children ages 5 to 17 years old have had Covid-19, or about 7% of U.S. cases in which the patient's age was available, according to the Centers for Disease Control and Prevention. Sixty-one children in that group have died.

Roughly 56 million kids attend prekindergarten through 12th grade.

About 49% of districts planned to start fall with in-person classes, 27% online, and 12% in a hybrid model, according to an August sampling of 477 districts by the Center on Reinventing Public Education, a research group.

Since reopening for the fall, some districts have reported scattered classroom quarantines or temporary building closures—including New York City and the Cherokee County district in suburban Atlanta—when the new virus surged in the area or was found among staff or students.

But generally, the risk of getting the virus at school appears to be low, said Emily Oster, a Brown University economist collecting nationwide data. She is working with data scientists and educators' associations to create the Covid-19 School Response Dashboard.

It showed an overall rate of about 1.5 infections among 1,000 students in districts with in-person classes during two weeks in late September. It found 2.5 infections among 1,000 employees.

"This suggests the risks to kids from going to school are small and they're in the range

of the Covid risks you are probably taking in other settings," Ms. Oster said. Researchers caution the data set reflects only about 213,000 children, and districts with successful virus-prevention steps might be more likely to take part in the voluntary project.

It is hard to know which reopening safety strategies work best because there is no data to compare infection rates in schools that take steps such as cutting class sizes or shortening in-person schedules to outcomes in schools that don't. "This severely limits our ability to give additional guidance to schools," said Wendy Armstrong, an infectious-disease expert at Emory University School of Medicine in Atlanta.

Considering information available so far, however, Dr. Armstrong said in a media briefing that "We have not seen a massive superspreading event" in K-12 schools.

Apprenticeships Offer Step Up for Workers

By Josh Mitchell

Not long ago, Ricky Brown, approaching 40 and wanting a raise, decided to go to college. After he earned a degree, his salary increased by 40%.

Mr. Brown didn't get a traditional four-year degree, though, or even a traditional two-year one. He went through an apprenticeship-style program in Kentucky. New research shows it is paying off big for graduates, who typically earn nearly six figures within five years of graduation.

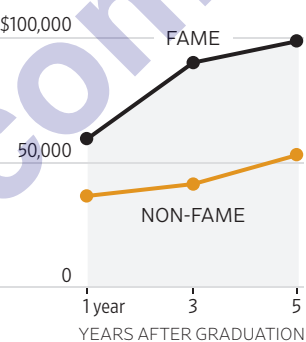
Mr. Brown, who dropped out of high school, now earns \$72,000 a year maintaining and repairing machinery for an aluminum factory in Russellville, Ky. "I wanted to show my kids anything's possible if you just want it and try hard enough," said the 41-year-old father of two.

The program, the Federation for Advanced Manufacturing Education, began in 2010 as an experiment among several companies, including Toyota Motor Corp.'s Georgetown, Ky., factory, which was having trouble finding "middle-skill" workers to operate new technology. The program pairs employers with community colleges. Today, nearly 400 employers participate in 13 states.

The study, released Monday by Opportunity America and the Brookings Institution, Washington-based think tanks,

Students who entered a FAME program between 2010 and 2016 typically earn far more than students with similar backgrounds who attended the same community college.

Salary Comparison



Source: Opportunity America and the Brookings Institution

contributes to the intensifying debate over how best education can promote income mobility.

To date, conventional wisdom is that a high salary requires a four-year degree. To be sure, the "college premium" remains near record highs: Workers with a bachelor's but no graduate degree earned \$78,000 on average in recent years, compared with \$45,000 for those with only a high-school diploma, according to the Federal Reserve Bank of New York.

But many college graduates don't get a payoff. The lowest 25% of earners with a four-year degree earned less than

the top 25% of earners with only a high-school diploma in recent years, according to the Manhattan Institute, a conservative think tank.

Apprenticeships have long offered a path to high-paying work for high-school graduates but have historically been reserved for skilled trades such as plumbers, carpenters and electricians.

But research on apprenticeships based at community colleges is limited. Schools have been slow to offer such programs, the conservative American Enterprise Institute reported in 2018, in part because of costs and lack of proximity to employers that offer such programs.

Students of FAME—a mix of new high-school grads and older factory workers well into their careers—typically spend two days a week in class and three days on the factory floor, earning a part-time salary. They learn to maintain and repair machinery; traditional subjects such as English, math and philosophy; and soft skills such as work ethic and teamwork. After earning an associate degree, most work full time for the factories that sponsored them.

After declining steadily between 1979 and 2010, manufacturing employment grew 1.3 million in the subsequent decade, before the pandemic-induced recession, and in the process many employers found

key skills in short supply. Among the most sought-after are middle skills, said James McCaslin, provost of South-central Kentucky Community & Technical College in Bowling Green, a FAME school.

"Because the machines have become so sophisticated and because the margins are so thin, companies are looking for people who can do all the things we deliver," Mr. McCaslin said.

The FAME program typically covers five semesters, or two years. To enroll, students must interview with employ-

ers, who consider past grades, standardized tests and demeanor.

James Atkinson, who oversees FAME apprenticeships at Kentucky-based GE Appliances, said people feared in the 1980s that automation would kill all of their jobs. Now, "We need people that can work on those robotics. Sometimes it might mean you're going to lose three, four, five assemblers, but may gain two maintenance workers that are higher skilled that are making more money to run those machines."

NAUTISCHE INSTRUMENTE
MÜHLE
GLASHÜTTE/SA.

German Precision Since 1869

The New ProMare Go

With the ProMare Go, the ProMare family has now welcomed a practical addition to the collection featuring a clever bidirectional bezel that enables wearers to quickly mark important moments in time.

www.muhleglashutteusa.us

For more information please contact:

Aaron Faber - New York City, NY | Brentwood Jewelry - Brentwood, TN |
Exquisite Timepieces - Naples, FL | Joseph Gann - Boston, MA | Little
Treasury Jewelers - Gambrills, MD | Martin Pulli - Philadelphia, PA |
Orlando Watch Company - Winter Park, FL | Whittens Fine Jewelers -
Wilmington, DE | Worthmore Jewelers - Atlanta, GA

Muhle Glashutte USA 727-896-4278

U.S. NEWS

'It's the Economy, Stupid': No, Not This Time



CAPITAL JOURNAL
By Gerald F. Seib

It has been 28 years since adviser James Carville helped propel Bill Clinton to the presidency by posting a sign in campaign headquarters reminding everyone there: "It's the economy, stupid." That was his singular way of drilling home the message that the economy mattered more to voters than anything else.

So far in 2020, though, it doesn't seem to be the economy. Even though voters today prefer President Trump to handle the economy as much as ever, he remains behind as the race enters its fi-

nal two weeks. That raises two questions: Why? And could the economic issue still propel him to a final-days turnaround?

Five times this year, the Wall Street Journal/NBC News poll has asked voters who they think would be better at handling the economy, Mr. Trump or Democrat Joe Biden. Five times they have named the president, by margins ranging from 7 to 11 percentage points. Plenty of Americans, in short, appear to buy the president's argument that the economy was in fine shape before the coronavirus hit, and that it isn't his fault it has plunged since then.

More than that, when the poll asked voters just last week which issue is most important to them, they named the economy more than any other issue, including the coronavirus. All of that simply serves to frame the mystery of why that set of conditions isn't working better for Mr. Trump.

The answer starts with evidence suggesting the dominance of the economic issue may be something of a myth, which has its roots in that 1992 campaign. It simply isn't true that the candidate or party given better marks on handling the economy wins an election, even when the economy seems to get top billing. Voters have other issues propelling them with nearly equal force—and sometimes they view those as matters that also affect their own everyday economy.

Bill McInturff, a Republican pollster who co-directs the Journal/NBC News poll, notes that the same set of conditions prevailed in 2018: Voters said they thought Republicans would do a better job handling the economy, yet the party lost 41 seats in House elections that year. In some respects—the shift of suburban women toward the Democrats, more energized minority voters, concern about health care—this year resembles 2018 more than

2016, when Mr. Trump won.

And though it's little remembered now, a similar set of circumstances prevailed in 2012. Voters called the economy the most important issue, and more said they preferred Republican Mitt Romney to Democratic President Barack Obama on handling it. Yet Mr. Obama won re-election.

Then, as now, there was a cluster of other issues that, when taken together, rivaled the economy in importance to voters. This year the coronavirus, health care, race relations, climate change and ability to unite the country also are pressing and emotional matters for many voters. On every one, voters tend to prefer Mr. Biden, sometimes by wide margins.

More broadly, now as in 2016, the race seems as much about a struggle over the nation's culture as about economic issues.

Moreover, voters relate the health of the economy to the handling of the pandemic: If they buy Mr. Bi-

den's argument that the economy can't improve until the coronavirus is under better control, they actually see the pandemic as an economic issue. That benefits Mr. Biden.

Democratic pollster Peter Hart, who helps oversee the Journal/NBC News poll, says that as Americans already are standing in long lines to cast ballots, 2020 is a year in which voters see the broader course of the country as the real issue. "The massive turnout in 2020 is occurring because voters understand the stakes that go far, far beyond the two candidates," he says. "Hidden behind the pandemic are the big issues of race, climate, gender, and safety."

Mr. Trump also hasn't played his advantage on the economy particularly well. He talks about his record of accomplishment, but doesn't lay out many specifics about what he'd do in a second term to revive and extend

economic growth. And his fabled rallies tend to veer down side alleys as they did in Michigan on Sunday, when the president's argument that Michigan Democratic Gov. Gretchen Whitmer needs to do more to open up the state's economy veered into chants from the crowd of, "Lock her up." Mr. Trump echoed "Lock them all up" just days after the FBI arrested a group of men for plotting to kidnap the governor. That put the emphasis on a divisive message rather than a unifying economic one.

Perhaps Mr. Trump will find better ways in the campaign's final days to focus voters on the economy, to his benefit. Presidential elections tend to tighten in the end, as wandering voters return to home base, as some new voters stream in and as candidates manage to frame the final choice to their benefit. Mr. Trump gets one more big chance, in Thursday's debate, to bring the argument back to the economy.



Mr. Trump's strategy has been to boost turnout where he is most popular. Lisa Buchman, in Destin, Fla., is undecided in the election.

Trump Trains Focus on Florida Panhandle

By MADELEINE NGO

DESTIN, Fla.—While President Trump and Democratic nominee Joe Biden battle over senior and Latino voters in central and South Florida, Republicans say another key for them will be maximizing support in the Panhandle, home to a swath of traditionally red counties.

Mr. Trump's re-election strategy nationwide has emphasized boosting turnout in the places where he is most popular, and he won some counties in northwest Florida by 40 and 50 percentage points in 2016. He won the state by slightly more than 1 percentage point that year, so even modest changes in his support here could matter in a close 2020 race.

Donald Trump Jr. headlined a rally in Panama City Beach this month, and Eric Trump held an event in the same city in September. The Trump campaign has a bus tour that will stop in Fort Walton Beach on Tuesday.

Recent polls show an extremely close race between Messrs. Trump and Biden in Florida, with the president losing support among older voters compared with 2016 and the former vice president trying to make up ground with Latinos. Florida, which has 29 electoral votes, is considered crucial to Mr. Trump's path to re-election.

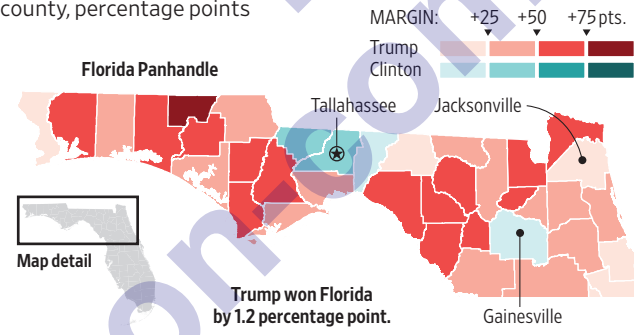
"When you're dealing with margins potentially this small in the state, trying to squeeze another 25,000 to 50,000 votes in the Panhandle is going to be absolutely critical to success," said Brett Doster, a Florida-based Republican strategist.

Mr. Doster said Mr. Trump could lose support in some other parts of Florida, such as the Interstate 4 corridor in central Florida, which tends to have more swing voters. "You have to make that up somewhere," he said.

Mr. Trump visited Fort Myers in Lee County on Friday, a

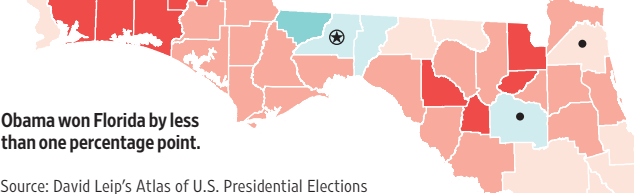
Donald Trump versus Hillary Clinton

2016 presidential election margin of victory by northern Florida county, percentage points



Barack Obama versus Mitt Romney

2012 presidential election



Source: David Leip's Atlas of U.S. Presidential Elections

southwest area of the state that went big for him in 2016. In a nod to the importance of seniors, he touted the plan to develop a coronavirus vaccine, saying it would be made free to nursing homes, and expressed sympathy for those affected by the crisis.

Republicans say population growth in northwest Florida could work in the president's favor.

The population of the westernmost Panhandle counties has grown at a rapid pace over the past decade, according to data from the Bureau of Economic and Business Research at the University of Florida, though these counties are still smaller than some traditionally Democratic counties in South Florida. Two Trump campaign officials said they view the northern part of the state as an area where Mr. Trump can increase his vote total.

Republicans say recent voter-registration data show they are making gains in Florida. Democrats currently lead by about 134,000 registered

voters in the state, according to a recent Florida Department of State report. In 2016, Democrats led by about 327,000.

Democrats say there is only so much Mr. Trump's support can grow in Panhandle counties where 2012 Republican nominee Mitt Romney also won by huge margins, only to lose the state.

"I think that certainly there are places where Trump can do a little bit better than he did four years ago," said Steve Schale, a Florida-based strategist and veteran of President Obama's campaigns. "I also think there are places where Joe Biden can do better than Hillary Clinton did four years ago."

The Biden campaign is making some investments in the Panhandle, running advertisements targeted at veterans near military bases. A September poll from data firm Morning Consult found that Mr. Trump led Mr. Biden among military-affiliated voters by 10 points, a decline from his 18-point advantage in 2016 exit

polling. The poll was released after the Atlantic published allegations that Mr. Trump had called Americans who died in wars "losers" and "suckers." Mr. Trump has denied making the remarks.

John Bashara, a 78-year-old Air Force veteran in Destin, said he doesn't believe Mr. Trump made those comments. "The Atlantic publishes and they say an unnamed source. Well, just take that one to court," Mr. Bashara said.

Republicans say Mr. Trump could also pick up support from some conservatives who were skeptical of his lack of political experience in 2016. Much of the party has since united behind him.

Lisa and Bob Woodin, who moved to Fort Walton Beach from Colorado two years ago, said they didn't like either presidential candidate in 2016. As Republicans, they knew they weren't voting for Mrs. Clinton, the Democratic nominee, but they were also hesitant about supporting Mr. Trump, a businessman with no political record. They sat out the election.

Four years later, the Woodins say they are supporting the president. They said they like that Mr. Trump increased military spending and presided over a strong economy for most of his tenure.

"He's fulfilled the things he said he was going to," said Lisa Woodin, 50, an Air Force civil servant.

Lisa Buchman, a 52-year-old realtor in Destin, said she is undecided in the presidential election. She thinks Mr. Biden is a "career politician," but she doesn't like that Mr. Trump hasn't released a detailed health-care plan. She didn't support either candidate in 2016, instead writing in her own name, and this year, she said she would vote for the candidate that "stops the vitriol."

"Both of them have really failed to step up and show true leadership to unite the country," Ms. Buchman said.

High Court Lets Pennsylvania Ease Vote-Count Rules

By JESS BRAVIN
AND BRENT KENDALL

WASHINGTON—The Supreme Court on Monday refused to disturb a ruling by Pennsylvania's highest court that extended the battleground state's deadline for accepting mail-in ballots, a win for Democrats that gives voters more time to navigate postal delays and avoid in-person voting.

Chief Justice John Roberts joined the court's three liberal members to leave intact a Pennsylvania Supreme Court decision extending by three days the time for receipt of absentee ballots and allowing those with illegible postmarks to be counted if received by the deadline.

The court's four more conservative justices would have granted requests by the state Republican Party and two leading GOP state senators to block the state court's ruling.

The high court, down to eight members following the death last month of Justice Ruth Bader Ginsburg, issued no opinions explaining its reasons. When the Supreme Court divides evenly on a case, the lower-court decision on appeal remains intact.

Chief Justice Roberts was joined by Justices Stephen Breyer, Sonia Sotomayor and Elena Kagan. Justices Clarence Thomas, Samuel Alito, Neil Gorsuch and Brett Kavanaugh indicated that they would have granted the Republican request.

"Huge win for Pennsylvania. Trump's losing streak continues, this time in SCOTUS," tweeted state Attorney General Josh Shapiro, a Democrat. "Now let's have an election."

Representatives of the Republican lawmakers and the state Republican Party couldn't be reached for comment.

Pennsylvania is among the most hotly disputed states in the presidential election. It narrowly awarded its 20 electoral votes to President Trump in

2016, but recent polls have shown Democratic presidential nominee Joe Biden ahead. Democrats have turned heavily to absentee ballots in response to the pandemic, so the extension could help Mr. Biden if ballots delayed in the mail stream tilt his way.

Mr. Trump has said he expects the Supreme Court to help decide the presidential election, and pushed to confirm Judge Amy Coney Barrett, his nominee to replace Justice Ginsburg, in time to participate. Mr. Trump's two previous appointees, Justices Gorsuch and Kavanaugh, voted for the Republican request to cancel the deadline extension. Judge Barrett, questioned at her confirmation hearing last week by Democratic senators, said she would consider whether to recuse herself from an election case involving Mr. Trump should one arise.

The Pennsylvania Supreme Court extended the deadline after the state's top election official, the secretary of state, said three additional days were needed to account for delays due to the coronavirus pandemic and the resulting shift to absentee voting. The state court likened the move to accommodations ordered when a natural disaster disrupts an election.

The Republican lawsuits argued the U.S. Constitution bars the state Supreme Court from relying on Pennsylvania law to adjust the deadline for absentee ballots in a federal election; only the state Legislature can set the election date, the party argued, and therefore no ballots received after Nov. 3 should be counted.

Pennsylvania statutes specify that ballots can be counted if received by 8 p.m. on Election Day. Last month, the Pennsylvania Supreme Court, citing postal delays and overwhelmed election officials, extended by three days the deadline to count ballots postmarked by Election Day.

Justices to Review Border Wall Funding, Asylum Case

By BRENT KENDALL
AND MICHELLE HACKMAN

WASHINGTON—The Supreme Court agreed to review two of the Trump administration's most visible immigration actions: its construction of a southern U.S. border wall with military funds and its requirement that asylum seekers at the border wait in Mexico while their requests are considered.

The justices said they would hear the administration's appeals of lower-court rulings that found its actions unlawful. Oral arguments will likely take place early next year, though the cases could be affected by next month's presidential election. If Democratic nominee Joe Biden defeats President Trump,

he could drop the Trump administration's appeals.

In the border-wall case, the San Francisco-based Ninth U.S. Circuit Court of Appeals ruled in June that the administration unlawfully transferred billions of dollars in military funds for use in wall construction.

The administration in its appeal said the transfers were in the national interest and consistent with federal law.

The asylum case will determine the fate of the administration's "Remain in Mexico" policy, formally called the Migrant Protection Protocols. The policy made its debut in early 2019 as the White House sought solutions to the swelling number of Central American families crossing the southern border.

PAID ADVERTISEMENT

DEAR SMALL BIZ, BIG BIZ NEEDS YOU.

The great thing about supporting domestic manufacturing, about bringing “making” back to this country, is how much demand is created when we do. In a nutshell—the workers will need a local coffee shop to gather in after their shift. Their families will need stores to shop in and will have a little left over for trips the travel agent can help them with. We don’t all need to be software developers to start a business. We just need to want to help the people around us enjoy their lives more. And get paid while we’re at it. Bigger companies need smaller ones and vice versa. Let’s make it. Let’s make it here.

Get involved.
zekelman.com

20MXZIO53-14-144941-7

 **Zekelman** Industries
Life Reinforced

U.S. NEWS

Mics to Be Muted in Part Of Debate

Candidate will be silenced while the other gives 2-minute introduction to topics

By MICHAEL C. BENDER AND CATHERINE LUCEY

WASHINGTON—The presidential candidates’ microphones will be muted during parts of their final debate Thursday as organizers seek to limit the interruptions and crosstalk that marked their previous meeting.

The nonpartisan Commission on Presidential Debates on Monday announced a plan for the debate, which will be divided into six segments, each with a different topic. President Trump and Democratic presidential nominee Joe Biden will be silenced while their opponent gives a two-minute opening statement at the start of each 15-minute segment. During the rest of the discussion in each block, the microphones will be open.

After the first debate on Sept. 29 was marred by frequent interruptions, mostly by Mr. Trump, the commission said it would consider changes. In a statement, it said that neither campaign may be fully satisfied with the plans.

“One may think they go too

far, and one may think they do not go far enough,” the statement said. “We are comfortable that these actions strike the right balance and that they are in the interest of the American people, for whom these debates are held.”

The debate in Nashville, Tenn., will be the final meeting of the two candidates before Election Day. It will be moderated by NBC’s Kristen Welker. It was expected to be the third debate, but the second debate, scheduled for Oct. 15, was canceled when Mr. Trump refused to agree to a virtual debate after he contracted Covid-19.

Trump campaign manager Bill Stepien said that Mr. Trump “is committed to debating Joe Biden regardless of last-minute rule changes from the biased commission.”

In a letter to the commission earlier in the day, Mr. Stepien criticized possible rule changes including silencing microphones, saying it “is completely unacceptable for anyone to wield such power.” He also complained earlier in the day that the debate was supposed to have a foreign-policy focus and asked for a change in topics. The commission said that wasn’t the case.

Biden campaign spokesman T.J. Ducklo said that the “campaigns and the commission agreed months ago that the



The first presidential debate on Sept. 29 in Cleveland was marred by frequent interruptions, mostly by President Trump.

debate moderator would choose the topics,” adding that the president didn’t want to “face more questions about his disastrous Covid response.”

Mr. Trump is seeking to close a polling gap with Mr. Biden in the final days of the race.

He expressed confidence about his chances Monday on a conference call with campaign aides that included reporters.

In that call, he renewed his criticism of Dr. Anthony Fauci, the nation’s top infectious-disease expert, as deaths from Covid-19 approach 220,000.

Mr. Trump called Dr. Fauci “a disaster” and said the nation’s death toll from Covid-19 would be far higher had he relied on advice from the doctor, who has urged administration officials to rely on the guidance from public-health experts on how to safely reopen the economy and bring the pandemic under control.

“People are tired of hearing Fauci and all these idiots,” Mr. Trump said, adding that Dr. Fauci, who has served under six administrations, was a nice guy but also a mess. “He’s been here for 500 years.”

A majority of Americans have said they disapprove of

Mr. Trump’s handling of the pandemic, according to seven consecutive Wall Street Journal/NBC News polls.

The federal response to the coronavirus pandemic has become a central issue in the election.

“Every time he goes on television there’s always a bomb, but there’s a bigger bomb if you fire him,” Mr. Trump said about Dr. Fauci.

Dr. Fauci, the director of the National Institute of Allergy and Infectious Diseases, didn’t respond to a request for comment.

Mr. Trump continued to criticize Dr. Fauci at a Monday

afternoon rally in Arizona. “Biden wants to lock it down. He wants to listen to Dr. Fauci,” the president said, referring to coronavirus-related restrictions. He added again that he thinks Dr. Fauci is a nice person but called him a “promoter.”

Responding to the president’s comments, Mr. Biden said: “Mr. President, you’re right about one thing: The American people are tired. They’re tired of your lies about this virus.”

Mr. Biden is leading the president in most national polls, sometimes by double digits.

Moderna Expects Interim Results Next Month

By PETER LOFTUS

Moderna Inc. Chief Executive Stéphane Bancel said the federal government could authorize emergency use of the company’s experimental Covid-19 vaccine in December, if the company gets positive interim results in November from a large clinical trial.

Mr. Bancel, speaking during The Wall Street Journal’s annual Tech Live conference Monday, said that if sufficient interim results from the study take longer to get, government authorization of the vaccine may not occur until early next year.

Moderna, based in Cambridge, Mass., has one of the leading Covid-19 vaccines in development, along with a vaccine co-developed by Pfizer Inc. and BioNTech SE. Large U.S. trials for two other leading Covid-19 vaccines, from Johnson & Johnson and AstraZeneca PLC, have been paused while the companies investigate unexplained illnesses among study subjects.

Mr. Bancel’s comments suggest Moderna’s timetable isn’t far off from Pfizer’s, which said last week it expects to seek U.S. authorization of emergency use of its vaccine by late November.

In July, Moderna started a 30,000-person study in the U.S. to test whether the vaccine safely protects people from symptomatic Covid-19 disease, and enrollment is nearly complete.

In the trial, half of the



The first interim analysis will happen when 53 people in the entire study get symptomatic Covid-19.

study subjects receive the vaccine and half receive a placebo, and researchers then count how many get symptomatic Covid-19.

The first interim analysis of the vaccine’s efficacy will happen when 53 people in the entire study get symptomatic Covid-19. If there are significantly fewer vaccinated people than unvaccinated people among those 53 cases, the company may deem the results sufficient to seek government authorization of wider use.

That first analysis is likely to occur in November, but

“it’s hard to predict exactly which week because it depends on the cases, the number of people getting sick,” Mr. Bancel said.

The company also must monitor the safety of at least half of the study subjects for two months after vaccination before it can seek an authorization for emergency use. Mr. Bancel said Moderna was likely to reach that threshold in late November. If Moderna files for an emergency use authorization soon after, the Food and Drug Administration may take a few weeks to review the application before

deciding in December.

If the vaccine doesn’t demonstrate sufficient efficacy at the first interim analysis, the company will conduct a second analysis when 106 cases of symptomatic Covid-19 occur. Mr. Bancel said that would likely happen in December, which could push back any FDA decision to late January or early February.

Moderna codesigned its vaccine with the National Institute of Allergy and Infectious Diseases and began human testing in March while also starting to expand production of doses. Initial stud-

ies showed it induced immune responses in study volunteers and was generally safe.

Mr. Bancel said Monday the company continues to expect to produce about 20 million doses by the end of this year and at least 500 million doses next year. He said ramping up production is a challenge.

“Unlike sometimes when you make a recipe at home, if you miss one ingredient, you might decide to still go ahead and make your meal, but in our case we cannot do that,” Mr. Bancel said. “We need all the ingredients to be there on time to be able to make a lot of vaccine. If one ingredient is missing, we cannot make a vaccine.”

Mr. Bancel said Moderna and its contract-manufacturing partner Lonza Ltd. expect to produce enough doses in the U.S. to meet U.S. demand. Lonza also is manufacturing doses in Switzerland to meet demand outside the U.S., he said.

In August, Moderna signed a \$1.5 billion contract with the federal government to supply 100 million doses of its vaccine for use in the U.S., with an option to supply more doses.

Factoring in additional federal funding that Moderna has received, the U.S. government is paying \$25 a dose, Mr. Bancel said. He said that because Moderna has never turned a profit, it is appropriate to make a reasonable profit but not to maximize profit from a Covid-19 vaccine.

Curbs on Gatherings Restored in Wisconsin

By JOE BARRETT

A Wisconsin judge put back in place statewide restrictions on bars, restaurants and other indoor spaces that had been temporarily suspended last week as the state faced rising cases of Covid-19.

Barron County Circuit Court Judge James C. Babler denied a request to extend the temporary injunction issued by a Sawyer County judge last Wednesday that put on hold an emergency order issued by the administration of Gov. Tony Evers. The 28-day order, which limits gatherings in public places to 25% of the capacity of a room or building, is now back in place for another 20 days. A lawyer for the Tavern League of Wisconsin said he planned to appeal.

“We are obviously disappointed in the ruling and the catastrophic effects it will continue to have on small businesses across Wisconsin,” said Tavern League President Chris Marsicano.

The judge said that there was no indication in court filings that bars and restaurants were complying with the capacity limits, which had only been in place for a few days, so he said it was unclear whether they were being hurt by the rule—an important factor in issuing a temporary restraining order.

“This critically important ruling will help us prevent the spread of this virus by restoring limits on public gatherings,” said Mr. Evers, a Democrat, who also urged residents to stay home and wear masks in public places when they can’t.

The judge said a Wisconsin Supreme Court case in May that struck down Mr. Evers’s much broader Safer at Home order at the beginning of the crisis didn’t clearly apply to the current case. That ruling declined to define the exact limits of the executive’s ability to issue emergency orders, but did find that the order, which closed many public businesses considered nonessential, had gone too far, Judge Babler said.

But a footnote to the ruling left in place the state health department’s ability to close schools and forbid other public gatherings to control epidemics, making it unclear whether a challenge to the current order would succeed if it made it before the high court, he said.

Intel Sells Memory Chip Unit

Continued from Page One

units at the heart of personal computers, the company has deep roots in the memory business. It started as a memory manufacturer in the late 1960s before stiff competition from Japan’s burgeoning electronics industry in the 1980s led the company to change course.

The market for memory chips slumped in 2018 amid an oversupply of the devices, though it began to recover late last year. Analysts expect the market for NAND devices to remain strong in the coming years amid a surge in data storage.

Nonetheless, Intel Chief Executive Bob Swan said in April that the company had to gener-

ate more attractive returns from the NAND business and suggested it could enter into a “partnership” to make that happen. George Davis, the California-based company’s chief financial officer, said in March that while the flash memory business showed promise, the company hadn’t been able to generate the profits it wanted.

Intel said it would invest the deal’s proceeds in building its presence in fast-growing areas like artificial intelligence and 5G networking. “This transaction will allow us to further prioritize our investments in differentiated technology where we can play a bigger role in the success of our customers and deliver attractive returns to our stockholders,” Mr. Swan said Monday.

Intel already pared down its involvement in memory manufacturing in January when Micron Technology Inc. bought out Intel’s share in a joint venture for about \$1.5 billion. That venture was focused on an ad-

vanced memory technology called 3D XPoint.

The companies aim to get regulatory approvals for the transaction late next year, which would trigger a \$7 billion payment. The remaining \$2 billion would follow at final closing expected in 2025. Intel is to continue to make memory at

The market for the devices slumped amid a 2018 glut but has begun to recover.

the plant until the final closing.

Intel, with a market value of about \$230 billion, has been under increasing pressure as smaller rivals gain market share.

Its stock is down about 10% this year, compared with about a 30% rise in the PHLX Semiconductor index. The shares dropped more than 15% when In-

tel indicated in July that second-half results would be weaker than expected and revealed further delays in the rollout of its superfast seven-nanometer chip technology, which underlies future generations of central processing units.

While Intel has struggled to move into mass production of its most advanced chips, rival Advanced Micro Devices Inc.’s market share in personal computer CPUs climbed above 17% in the first quarter, more than doubling from five years earlier, according to Mercury Research. Intel holds almost all of the remaining market share.

Intel is set to report third-quarter earnings Thursday.

The market for memory chips has been shaken by U.S. efforts to curb the rise of China’s tech industry and restrict exports to Chinese firms such as Huawei Technologies Co., the country’s leading telecom equipment maker.

Japanese memory-chip maker Kioxia Holdings Corp.,

owned by a consortium led by private-equity firm Bain Capital, delayed last month one of this year’s most anticipated public offerings because of the situation.

Intel’s advanced flash memory, referred to as 3D NAND because it has multiple layers of memory cells stacked on top of each other, has been produced for the past five years in Dalian, a port city on the Liaodong Peninsula just west of the Korean Peninsula.

That factory is Intel’s only major chip-manufacturing site in China and its sale to SK Hynix would mark a serious reduction of the company’s presence there.

The U.S. has been raising pressure on Chinese chip making, including by requiring companies to obtain licenses before exporting some technology to China’s most advanced chip maker, Semiconductor Manufacturing International Corp.

—Asa Fitch contributed to this article.

WORLD NEWS

Trump to Remove Sudan From Terror Sponsor List

President said nation would pay victims of attacks, a precursor to ties with Israel

By Andrew Restuccia and Courtney McBride

WASHINGTON—President Trump said that he would remove Sudan from a list of countries that sponsor terrorism once it completes payment of a settlement to victims of terrorist attacks.

The move, which Mr. Trump announced on Twitter on Monday, would end more than 25 years of U.S. efforts to isolate Sudan and came as a possible precursor to the normalization of relations between the African nation and Israel, a move sought by the White House.

“GREAT news! New government of Sudan, which is making great progress, agreed to pay \$335 MILLION to U.S. terror victims and families,” the president said. “Once deposited, I

will lift Sudan from the State Sponsors of Terrorism list. At long last, JUSTICE for the American people and BIG step for Sudan!”

For Sudan, the agreement may help end decades of international isolation after the U.S. sanctioned it in the 1990s for harboring al Qaeda’s then-leader, Osama bin Laden, and assisting terror groups.

Since the ouster last year of its longtime dictator, Omar al-Bashir, Sudan’s transitional government has pressed to improve its standing with the West as it seeks billions of dollars in aid and funding to save its collapsing economy.

The State Department referred questions on Mr. Trump’s announcement to the White House, which declined to provide additional details.

The U.S. and Sudan had long been working on a deal to compensate terrorism victims and remove the country from the list. Sudan has agreed to pay \$335 million to compensate more than 700 victims of al

Qaeda’s 1998 terrorist attacks on U.S. embassies in Kenya and Tanzania.

Sudan denies complicity in al Qaeda’s 9/11 attacks. A lawyer for a group of relatives of victims of those events, Jack Quinn, urged Congress on Monday to reject the deal if it negatively affects his clients’ cases.

Earlier versions of the plan, which depends on congressional approval, weren’t broad enough in scope to satisfy Senate Minority Leader Chuck Schumer (D, N.Y.) and Sen. Bob Menendez of New Jersey, the top Democrat on the Senate Foreign Relations Committee.

Under federal law, Congress has 45 days to review a decision to remove a country from the terror list, and can block it through a vote in both chambers. Messrs. Schumer and Menendez didn’t respond to requests to comment on Monday.

Mr. Trump’s announcement comes as his administration is working to normalize relations between Israel and several Arab nations. Last month, Mr. Trump



Sudan agreed to pay \$335 million to compensate more than 700 victims of al Qaeda’s 1998 bombings that targeted U.S. embassies in Kenya and Tanzania. The aftermath of the Kenya attack.

presided over the signing of a peace agreement between Israel, the United Arab Emirates and Bahrain. The agreement allows the nations to build economic and political ties.

U.S. and Israeli officials have said they expect other Muslim and Arab countries, possibly including Sudan, Morocco and Oman, to join the Abraham Accords in the coming months. Besides the U.A.E. and Bahrain, Israel also has diplomatic

relations with Jordan and Egypt among Arab states.

Sudanese and Israeli officials said in August they were holding talks regarding a normalization of relations.

Before Monday’s announcement, Mr. Trump’s representatives for weeks had pressed Sudan to normalize relations with Israel, said Cameron Hudson, who worked on issues related to Sudan while at the State Department and White House dur-

ing the George W. Bush and Barack Obama administrations.

Under a compromise, Mr. Trump will notify Congress that he has removed Sudan from the terror list, triggering a second phase of the agreement in which Sudan moves to normalize relations with Israel, Mr. Hudson said.

—Felicia Schwartz in Tel Aviv and Nicholas Bariyo in Kampala, Uganda, contributed to this article.

Secret U.S. Mission Played Role in U.A.E.-Israel Deal

By Dion Nissenbaum

WASHINGTON—On Aug. 11, 2017, a United Arab Emirates helicopter filled with soldiers taking part in an offensive against al Qaeda militants crashed in Yemen, leaving three soldiers dead and seven seriously wounded, including a young member of the royal family.

As Emirati leaders scrambled to rescue their soldiers, they asked the U.S. to organize an urgent rescue mission.

Within hours, according to U.S. military officials, American special-operations forces rushed to save the Emirati royal and the other soldiers. In ways that couldn’t have been anticipated at the time, the

unusual military mission helped pave the way three years later for the Israel-U.A.E. peace deal that is reshaping the Middle East.

Until now, the U.A.E. and U.S. military have never acknowledged that American forces saved the young royal that day. The American at the center of the rescue mission was Maj. Gen. Miguel Correa, a gregarious Puerto Rican who now serves as a special White House adviser and the top National Security Council official for U.S. policy in the Gulf.

Gen. Correa, then the defense attaché at the U.S. Embassy in Abu Dhabi, coordinated the risky 2017 mission, leading to a celebration of the young royal’s homecoming six



Maj. Gen. Miguel Correa, left, met with Crown Prince Mohammed bin Zayed al Nahyan and Zayed bin Hamdan al Nahyan, in wheelchair.

months later. The rescue made Gen. Correa something of a hero among Emirati leaders, including Crown Prince Mohammed bin Zayed al Nahyan,

the country’s ruler, who also is uncle and father-in-law of the wounded soldier saved by the Americans that day.

Gen. Correa’s close relation-

ship with the Emirati leaders became an unanticipated asset in the Trump administration’s secret talks between Israel and the U.A.E. that led to the historic peace deals—known as the Abraham Accords—signed last month at the White House.

The accords marked the biggest achievement in efforts by the Trump administration to solidify ties between Israel and its Gulf neighbors, based on mutual interests in countering Iran that have shifted relationships in the Middle East in recent years.

Officials from the various countries acknowledged the notable behind-the-scenes role played by Gen. Correa. At the White House, before the Sept.

15 signing ceremony, according to people in attendance, the Emirati foreign minister—who is the crown prince’s younger brother and an uncle to the soldier the U.S. saved—pointed to Gen. Correa and told President Trump: “That general is part of my family.”

“This would not have happened without him,” said Abdullah bin Zayed al Nahyan.

That was a feeling shared by the White House team led by Jared Kushner, the president’s son-in-law and the White House point man on Middle East policy. While Mr. Kushner and his deputy, Avi Berkowitz, did much of the heavy diplomatic lifting, they both said Gen. Correa played a key role in securing the deal.



A poster showing six wanted Russian military intelligence officers at a news conference on Monday in Washington.

Russians Indicted In Hacking

Continued from Page One

the 2016 election. The charges became public 15 days before this year’s presidential election, which U.S. intelligence officials have repeatedly warned is being targeted by Moscow. Russia has denied Western allegations that it engages in destructive cyber operations against other nations.

“No country has weaponized its cyber capabilities as maliciously or irresponsibly as Russia, wantonly causing unprecedented damage to pursue small tactical advantages and to satisfy fits of spite,” said John Demers, the assistant attorney general for national security.

The attacks reached across the world, from Pennsylvania to the Korean Peninsula.

In December 2015 and December 2016, hundreds of thousands of Ukrainians temporarily lost power in cyberattacks on the country’s energy grid. Two days ahead of the 2017 presidential election in France, the Russian officers allegedly leaked a tranche of emails belonging to then-candidate Em-

manuel Macron, in an operation that resembled the hack-and-leak of Democratic emails during the 2016 U.S. election.

The charges also link Moscow to cyberattacks on the 2018 Winter Olympic Games in South Korea, where internet systems were disrupted during the opening ceremony in apparent retaliation for doping bans placed on Russian athletes. The attack, in which Russia unsuccessfully attempted to camouflage its actions as the handiwork of North Korean hackers, “combined the emotional maturity of a petulant child with the hacking skills of a nation state,” Mr. Demers said.

Separately, the British government accused the GRU on Monday of targeting the 2020 Olympic and Paralympic Games in Tokyo earlier this year, before their postponement. Organizers, logistics services and sponsors were targeted, the British said.

“Today’s indictments of GRU officers reads like a laundry list of many of the most important cyberattack incidents we have ever witnessed,” said John Hultquist, director of intelligence analysis at FireEye Inc., a U.S.-based cybersecurity firm.

Monday’s charges, returned last week by a grand jury in Pittsburgh, additionally accuse the intelligence officers of a spearphishing campaign against the Organization for the Prohi-

bition of Chemical Weapons and the U.K.’s Defence Science and Technology Laboratory in search of information related to investigations into the poisoning of former Russian spy Sergei Skripal, his daughter, and several U.K. citizens. The charges also allege the hackers targeted businesses and the government in the nation of Georgia.

The widespread operation launched in June 2017, known as NotPetya, has been described by security analysts

NotPetya has been described as the most destructive cyberattack.

and government officials as the most destructive cyberattack. It combined ransomware and wiper software that destroyed data and damaged corporate networks mainly through a corrupted software update from a small firm in Ukraine. The attack crashed many systems world-wide and altered basic administrative data that made recovering computer systems difficult.

NotPetya cost businesses around the world billions of dollars. On Monday, authorities highlighted that the alleged

damage to just three companies—Heritage Valley Health System, a FedEx Corp. subsidiary and a large U.S. pharmaceutical manufacturer—suffered collectively about \$1 billion in losses.

The attack on Heritage Valley Health System in Pennsylvania disrupted medical care to some patients and affected two hospitals, 60 physician offices and 18 community satellite facilities, the indictment said.

The GRU team known as Unit 74455 that was implicated in Monday’s charges is commonly known among researchers as Sandworm and widely viewed as among the most capable and dangerous hacking groups in the world.

Earlier this year, U.S. intelligence agencies said Russia was attempting to interfere in the 2020 presidential election to harm Democratic presidential nominee Joe Biden.

Last month, President Vladimir Putin of Russia proposed that Moscow and Washington agree to guarantee neither nation interferes in the other’s elections—an offer widely criticized by cybersecurity experts as one made in bad faith.

On Monday, Mr. Demers said the unsealed charges “provide a useful lens for evaluating Russia’s offer two weeks ago for a reset in cyber relations between Russia and the United States.”

France Vows to Derail Islamist Extremists

By Matthew Dalton

PARIS—French authorities vowed to crack down on civic groups they said were promoting radical Islam, days after an extremist beheaded a schoolteacher for showing caricatures of the Prophet Muhammad in class.

French Interior Minister Gerald Darmanin on Monday said 51 associations, including religious schools and mosques, would be visited by security services this week, and a number of them dissolved. Authorities on Monday conducted searches targeting 40 suspected extremist individuals and associations, and have opened more than 80 investigations into extremist sentiment expressed online since the attack, officials said.

“We must stop being naive,” Mr. Darmanin said. “There is no reconciliation possible with radical Islam.”

The actions reflect tensions between parts of France’s Muslim community and authorities in the aftermath of the slaying of the teacher, 47-year-old Samuel Paty, in an attack that shocked the nation.

Officials suspect Mr. Paty’s attacker—identified as Abdoullah Abouyezyditch A., an 18-year-old Russian national of Chechen origin—acted after seeing videos made by a parent of a student at the school denouncing Mr. Paty. Investigators are examining how the video spread quickly across social media and whether it was amplified by extremist elements in the Muslim community.

The parent was angered by a civics lesson Mr. Paty gave on freedom of expression in which he displayed cartoons from Charlie Hebdo, the satirical magazine targeted in a terrorist attack in 2015, prosecutors said. One of the cartoons showed the Prophet Muhammad naked.

Police discovered a message the attacker sent through social media to the parent and an Islamist activist who were fomenting a campaign against Mr. Paty over social media, officials said. It is unclear what the content of the message was or whether they re-

sponded to him. Both the parent and the Islamist activist have been detained by police along with 13 other people, officials said.

The attack came as the government of President Emmanuel Macron has pledged to tamp down what he called “Islamic separatism” in a speech this month. Mr. Macron said he would propose new laws that would allow the government to ban associations that indoctrinate children, and monitor foreign investment in religious organizations in France.

Mr. Darmanin on Monday named two Islamic associations that he would seek to dissolve: the Collective Against Islamophobia in France, or CCIF, and BarakaCity, a Muslim nonprofit.

Mr. Darmanin said the CCIF is implicated in the teacher’s slaying, because the parent in one video appealed to the organization to help in his campaign to oust Mr. Paty from his job. “We have a certain number of elements that lead us to think it’s an enemy of the republic,” he said.

The CCIF denied that it provided help to the parent in his campaign or circulated his videos online. “That’s not only false, it’s despicable,” the group said the day after the attack. The group didn’t respond to a request to comment Monday.

BarakaCity has for years been in the sights of French authorities for its involvement with Islamist activists. It was previously investigated but not put on trial for financing terrorism. Last week, several days before Mr. Paty’s slaying, its founder was detained in an unrelated investigation of cyber-harassment. BarakaCity declined to comment.

Mr. Paty’s attacker was born in Moscow and lived in France legally as a refugee and was known to police only for petty crimes as a minor, a French counterterrorism prosecutor said. The attacker lived in a town in Normandy, more than 40 miles away from the scene of the crime. On Friday, he lurked outside the school, offering students money to identify Mr. Paty before attacking him.

WORLD WATCH

SYRIA
**Two U.S. Officials
Met With Intel Chief**

Two top U.S. officials secretly met Syria's U.S. and EU-sanctioned intelligence chief in Damascus earlier this summer for talks on missing Americans that created divisions in the Trump administration, according to people familiar with the negotiations.

Kash Patel, a deputy assistant to President Trump, and Amb. Roger Carstens, the administration's point man on hostage negotiations, traveled to Syria for talks with Ali Mamlouk, a steadfast ally of President Bashar al-Assad, who was sanctioned by the U.S. and EU nearly a decade ago for alleged human-rights violations, these people said.

Mr. Tice's parents, who have long pushed the U.S. government to talk directly to the Assad regime about their son, hailed a Wall Street Journal report on the meeting as a positive step.

—Dion Nissenbaum

Demonstrators also set fire to San Francisco Borja church, which dates from the mid-19th century.

Marking the anniversary of the start of last year's mass antigovernment protests, about 25,000 people, some holding large banners calling for a new constitution, congregated Sunday in Plaza Italia. The square was the focal point of last year's protests, which threw one of Latin America's most stable and prosperous nations into disarray, leading to more than 30 deaths and billions of dollars in damage as hotels and supermarkets were trashed nationwide.

—Ryan Dube

CHINA-TAIWAN
**Diplomats Fought
At Reception in Fiji**

Beijing and Taipei traded blame for a physical clash between their diplomats in the Pacific island nation of Fiji this month, an unusual flare-up as China intensifies efforts to assert its territorial claims over the island democracy of Taiwan.

Taiwan's Foreign Ministry on Monday accused two Chinese Embassy officials of provoking an altercation that sent a Taiwanese diplomat to the hospital with a concussion, as the pair tried to force their way into an Oct. 8 reception hosted by Taipei's trade office in Fiji. The Chinese Embassy in Fiji countered with allegations that Taiwanese officials had acted provocatively toward its staff and injured one of them.

Fiji's Foreign Ministry didn't respond to queries.

—Chun Han Wong

CHILE
**Violence, Looting
Erupt Before Vote**

Protesters in Chile's capital torched two churches, looted stores and clashed with police in a spasm of violence a week before a referendum on whether to ditch a dictatorship-era constitution.

Television images from Santiago on Sunday showed masked protesters filming with their smartphones and cheering as the spire of the burning La Asunción church crashed to the ground.



A man prayed in front of the San Francisco Borja church in Santiago, Chile, on Monday, the day after it was torched during protests.

WORLD NEWS



Former Bolivian President Evo Morales, center, posed with a supporter in Argentina on Monday, a day after voters in Bolivia cast ballots.

Exiled Bolivia Leader's Party Wins Vote

By JUAN FORERO
AND JOHN OTIS

A former Bolivian president, Carlos Mesa, on Monday conceded defeat to Luis Arce, the handpicked candidate of former President Evo Morales, in Sunday's presidential election, which tested democracy in the resource-rich country.

Mr. Mesa said that quick counts carried out by polling firms showed his main opponent, Mr. Arce, a former economy minister, had won the race. The victory opens the path to Mr. Morales's return to Bolivia after last year's disputed elections forced his resignation.

"The results from the quick count are overwhelming and very clear," said Mr. Mesa from La Paz, the Bolivian capital.

The official results weren't tabulated when interim President Jeanine Áñez said shortly after midnight Monday that

Mr. Arce, candidate of the Movement Toward Socialism party, had won the vote.

A conservative and an opponent of Mr. Morales and his movement, Ms. Áñez hasn't elaborated on her surprising announcement. And as of Monday, the final results were still not known.

Ms. Áñez's comments came shortly after the pollster Ciesmori released the results of its quick count of Sunday's election, showing Mr. Arce, a 57-year-old former economy minister under Mr. Morales, had taken 52.4% of the vote. The runner-up in Ciesmori's quick count of a sampling of ballots in the six-candidate election was Mr. Mesa, a 67-year-old historian who had served as president for 18 months between 2003 and 2005.

Mr. Morales, who had been driven from power in November 2019 after he claimed vic-

tory in an election that observers said was marred by irregularities, celebrated from his exile in Argentina. "Brothers and sisters, the will of the people has been imposed," he said via Twitter. "This has been an overwhelming victory."

At his campaign headquarters, Mr. Arce said, "We have recuperated democracy and, more than anything, the Bolivians have recovered hope."

The victory amounts to a surprising, outright win that the polls hadn't predicted for Mr. Morales's MAS, as the Movement Toward Socialism party is best known.

An Ipsos poll ahead of the vote showed Mr. Arce leading with 34% versus 28% for Mr. Mesa. Another poll by the Latin America Strategic Center for Geopolitics had Mr. Arce winning the presidency in the first round, 44.4% to 34% for Mr. Mesa. To avoid a second

round of voting in Bolivia, a first-place finisher needs to collect at least 40% of the vote and hold a 10-point margin over the runner-up.

Sunday's vote was being watched closely across Latin America, where it was seen as one of Bolivia's most important since its return to democracy in 1982. The tumult that led to Mr. Morales's resignation in November sharply divided Bolivia, a landlocked country of 11 million, and led to Ms. Áñez's caretaker government, which has been criticized as corrupt and botching its response to the pandemic. Ms. Áñez's spokesperson didn't respond to a request to comment.

This election was seen as a replay of last October's vote, which was marked by turmoil after Bolivians rose up against Mr. Morales, who had already ruled 14 years and was trying to win a fourth term.

THE WALL STREET JOURNAL.

THE

FUTURE

OF

EVERYTHING

Exploring Global Innovation
by Private Jet

AUGUST 21 – SEPTEMBER 13, 2021

888-205-5621 | natgeoexpeditions.com/ws

How can we prepare for the changes and opportunities that lie ahead?

From the rolling steppes of the Gobi desert to Iceland's vast expanse of glaciers—join experts from The Wall Street Journal and National Geographic on a global, 24-day expedition by private jet—and learn how advances in technology and science are shaping the future of our global economy and culture.

24 days from \$94,995.

888-205-5621 | natgeoexpeditions.com

Price is per person, double occupancy, and subject to change.

Plus an extra \$9,495 for a single room. Airfare to Seattle, Washington and return from Boston, Massachusetts is not included in the expedition cost.

Seattle, Washington • Kyoto, Japan

Seoul, South Korea • Shenzhen and Hong Kong, China

Ulaanbaatar Or Gobi, Mongolia • Samarkand, Uzbekistan

Tallinn, Estonia • Helsinki And Lapland, Finland

Reykjavík, Iceland • Boston, Massachusetts

Health Notice:

Our private jet trip will follow enhanced health and safety measures, and a physician will be on board for the duration of the journey.

NATIONAL GEOGRAPHIC

EXPEDITIONS

THE WALL STREET JOURNAL.

This trip will be operated by National Geographic Partners Chicago, the tour operations branch of National Geographic, on flights operated by Icelandair.

Please visit natgeoexpeditions.com/privatejetterms to see the Operator-Participant Contract and Terms and Conditions for this trip. © 2020 Dow Jones & Co., Inc. All rights reserved. 6DJ8043

© 2020 National Geographic Partners, LLC. All Rights Reserved. NATIONAL GEOGRAPHIC EXPEDITIONS and the Yellow Border are trademarks of National Geographic Society and used with permission.

One Man Versus Fax Machines

Continued from Page One

September and gave Mr. Kono his new assignment as minister of administrative reform.

A quarter-century of email has yet to dent many Japanese bureaucrats' preference for a piece of paper they can touch, including at Mr. Kono's government agency. They ask for routine communications to take place by fax and require government forms to be submitted on paper stamped with an ink seal known as a hanko.

"Why do we need to print out paper?" Mr. Kono asked rhetorically at a news conference soon after taking charge of the issue in September. "In many cases, it is simply because the hanko is required. So if we can put a stop to that culture, then it will naturally

eliminate the need for print-outs and faxes."

He said, "My job is to clear the road of obstructions to allow the Ferraris and Porsches of digital innovation to speed through."

Some in his own Liberal Democratic Party say they are worried oxcarts and wheelbarrows might get crushed along the way. A group of lawmakers recently submitted a letter—on paper—to senior government leaders to warn that Japan's culture of using personal seals in place of signatures was at risk owing to Mr. Kono's "hasty and excessive move."

Others say that pressing one's personal seal to official documents, such as a marriage application at city hall, is an important life moment. Personal seals, which usually display a person's family name carved into the end of a wooden or plastic stick, were first brought to Japan around 2,000 years ago via China, according to historians.

"We are feeling a sense of crisis that the frequency of hanko use is decreasing," said

Takao Tokui, chairman of the All Japan Seal Industry Association, who recently met with Mr. Kono to request that hanko use continue on official documents such as contracts between companies.

Mr. Kono, whose primary aim is to eliminate hanko use from government business, has already had to exempt Emperor Naruhito from his anti-hanko drive. The palace last year put out a video of the now 60-year-old monarch, wearing a suit and tie as he stamped his gold seal on documents. The palace says the emperor has two different seals, depending on the type of document.

For years, the government has been pledging to make Japan more digital, such as the office of the prime minister's 2017 "Declaration to Be the World's Most Advanced IT Nation." Not much happened. Japan ranked 27th in the world for digital competitiveness this year, behind Malaysia and New Zealand, and down four places from 2019, according to IMD business school in Switzerland.



In response to questions from The Wall Street Journal, Mr. Kono said that it was extremely important that Japan makes progress in digitalization and that he felt "very heavy responsibility" in his new position.

Above all else, the ubiquitous fax machine symbolizes how day-to-day business practices contrast with the nation's high-tech image. Although faxing remains common in Germany and in some privacy-sensitive parts of the U.S. economy, such as lawyers' or doctors' offices, few countries find the high-pitched screech of an incoming fax so alluring. When one of Japan's best-

known actresses recently decided to get married, her management agency alerted media outlets by fax. A spokeswoman for the agency said it didn't have plans to stop using faxes.

In the early stages of the coronavirus pandemic, some health officials were still writing down Covid-19 information on paper forms and faxing them up the chain of command to the health ministry. Mr. Kono was defense minister then, but he got involved. On April 23, he retweeted a doctor's post complaining about the process and alerted another official by inserting his Twitter handle. That official said he would take up the issue, and a week later the health ministry announced a new system for online filing of coronavirus cases.

Further wins may not come so easily. Japan's corporate sector is dominated by small companies with modest technology budgets and preference for the familiar.

Fax machines are irreplaceable, said Takayuki Ogiso, the owner of a furniture shop in

the central city of Nagoya. Many of the craftsmen who supply his shop are older and don't use email, he said. And the 36-year-old Mr. Ogiso said he liked the reliability and physical presence of the fax.

"Faxing ensures that somebody sees what you send," he said. "If there is a stack of papers in front of you, it means you have that much work to do."

Prime Minister Suga, who succeeded Shinzo Abe in September, declared overhaul of the bureaucracy his top challenge and named Mr. Kono as the minister who would fix everything.

Mr. Kono is one of the few politicians in Japan with a lively Twitter presence. In a recent post, he tried his hand at poetry in musing over defunct technologies. He reflected that "computer disks are no longer floppy" and there is "no more turning of the rotary phone dial." He didn't mention the fax machine.

—Megumi Fujikawa and Chieko Tsuneoka contributed to this article.

Farmers Favor Trump

Continued from Page One

A September poll by agricultural publication Farm Futures found 75% of farmers surveyed in July planned to vote for Mr. Trump, compared with 72.6% ahead of the 2016 election.

Mr. Trump's tenure has been a conundrum for farmers. His trade moves have opened doors for more of their exports—but have at times sent U.S. agricultural markets swooning and provided openings for rival food-producing countries. His environmental deregulation soothed farmer fears of government overreach—but his harder line on immigration has made it tougher for some to staff jobs.

U.S. net farm income this year is on track to be \$102.7 billion, 65% higher than 2016, according to the U.S. Agriculture Department. But government payments have come to make up more than one-third of that, versus 21% four years ago. To soften the impact of the pandemic and trade wars, Mr. Trump's USDA projects it will pay a record \$37.2 billion this year to farmers and ranchers, with the administration in mid-September pledging an additional \$14 billion in aid.

Some farmers say former Vice President Joe Biden would be a welcome change, including Chris Petersen, 65, who raises hogs near Clear Lake, Iowa. Mr. Trump's trade moves, he said, will drive importers like China toward producers such as Brazil or Ukraine. He feels USDA Secretary Sonny Perdue caters more to big farming operations over small ones. Under a Biden administration, Mr. Petersen said, farmers would have a better shot at fair treatment by big agribusinesses, and rural America would have better access to health care. As for Mr. Trump, he said, "The farmers have gotten taken to the cleaners by his policies."

His fellow Midwest farmers mostly side with Mr. Trump. About 82% of Iowa farmers in a September poll by agriculture-industry publisher Farm Journal Inc. said they intended to vote for Mr. Trump and 12% for Mr. Biden; in a 2016 Farm Journal poll, 84% planned to vote for Mr. Trump, 6% for Hillary Clinton. In Minnesota, 87% of farmers polled by the Farm Journal in September backed Mr. Trump. A Marquette University poll of Wisconsin farmers over the past year found 55% support Mr. Trump versus 36% for Mr. Biden.

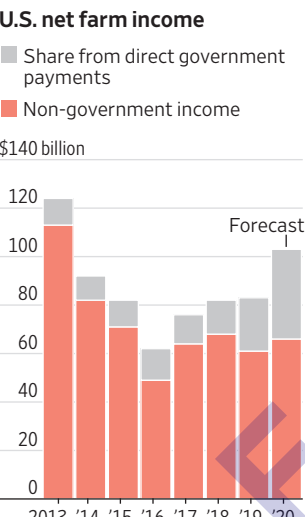
Four years ago, Midwest farmers faced sagging crop prices. Cheap grain encouraged farmers to build more poultry and hog barns, reducing livestock prices. Many farmers looked to exports while taking on more debt and looking to cut costs.

Mr. Prestage, who said he had voted for Republicans and Democrats, hadn't immediately gravitated to Mr. Trump. The candidate had pledged to pull out of a Pacific-region trade deal Mr. Prestage had spent years pushing in Washington.

By November 2016, though, Mrs. Clinton had also become critical of that deal. A Clinton administration, Mr. Prestage feared, would empower the Environmental Protection Agency,



'He's made things more volatile,' Ron Prestage, below, says of President Trump. Yet he plans to vote for him again, saying, 'I'll take the good with the bad.' His family company, Prestage Farms, is a major hog and turkey producer; above, a Prestage facility in Iowa.



*Numbers don't add to 100% due to rounding
Sources: U.S. Agriculture Department (Income); Farm Journal survey of 5,000 farmers and ranchers in 43 states conducted on Sept. 3 with 1,383 responses (poll)

translating to regulations like the 2015 Waters of the U.S. rule that aimed to expand Clean Water Act protections into more waterways. The rule—some states sued, and it wasn't implemented nationwide—raised alarm in farm country that drainage ditches and rain-formed ponds on fields could become federally regulated.

Prestage Farms, based in Clinton, N.C., is among America's biggest hog and turkey producers, operating farms and facilities in the Carolinas, Oklahoma, Iowa and Mississippi.

Mr. Trump took office in 2017 as the \$23.4 billion U.S. pork industry was primed for growth. Profits were strong and exports were rising, especially to burgeoning markets like China. Mr. Trump began easing farmers' concerns. In February 2017, he ordered the EPA to replace the water rule. For Prestage's pig farms, which market around 3.8 million hogs annually, that reduced potential liabilities when spreading hog manure on fields.

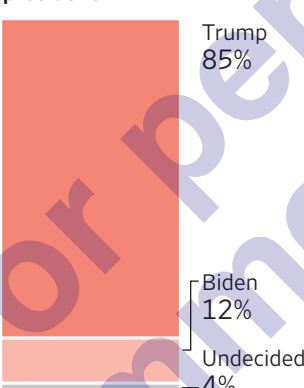
Tariff toll

Mr. Trump continued vowing to terminate or replace Nafta, which underpinned \$38 billion in U.S. agricultural exports annually. Though Prestage sold hams and turkey to Mexican buyers, Mr. Prestage said, aspects of Nafta convinced him it left the U.S. at an overall disadvantage.

Mr. Trump closed 2017 by signing a tax overhaul he said would ease burdens on U.S. workers and family farms and which a USDA analysis projected would reduce hog farmers' average tax rate to 16.3% from nearly 20%.

In March 2018, he levied tariffs on foreign-made steel and aluminum. By July, Mexico fired back with tariffs of as much as 20% on U.S. pork

Farm Journal asked U.S. farmers last month: If the election were held today, whom would you select for president?



products. China added new tariffs amounting to 50% on U.S. pork, on top of existing duties. With U.S. pork made pricier by tariffs, German and Spanish pork companies raced to export more of theirs.

The tariffs hit as low crop prices and expanding livestock production had U.S. farm incomes on track to hit their lowest in over a decade, according to the USDA. Mr. Prestage said he complained to the USDA's Mr. Perdue: "Don't forget who your friends are." Mr. Perdue assured him that the administration trade team understood farmers' plight, Mr. Prestage said.

Mr. Perdue in an interview acknowledged the trade tumult farmers faced, saying Mr. Trump's approach has corrected unfair practices and positioned the farm sector to do more business abroad. Federal aid payments are made based on farms' production, though payments are capped for the biggest farms, he said, and

President Trump's tenure has been a conundrum for American farmers.

"Every farmer, large or small, is treated the same."

The USDA in July 2018 outlined a \$12 billion program to backstop trade-hit farmers, including \$559 million in government-funded pork purchases to prop up prices.

Mr. Prestage dealt with bouts of insomnia, he said, over the gamble of opening the new Iowa plant during a trade war.

U.S. pork exports to China fell nearly one-third that year. Farmers' per-pig returns



dropped about \$40 from July to August 2018, according to Iowa State University estimates, and producers ended the year losing about \$10 a hog. That negated any benefit from Mr. Trump's tax overhaul, Mr. Prestage said.

At the American Farm Bureau Federation's January 2019 convention, Zippy Duvall—the group's president and a Georgia chicken and cattle producer—acknowledged hardships farmers faced but said: "As bad as 2018 was on the farm, 2018 will go down in American Farm Bureau history as one of the most productive agricultural-policy years in our history." He noted the Trump administration's push to expand corn-based ethanol use, ease environmental regulations and exempt cattle ranchers from having to use electronic logging devices.

"The runaway for our patience is going to be determined by the financial situations on our farms," Mr. Duvall said at the convention, referring to Mr. Trump's trade battle with China, adding, "We're gonna hang with him."

The Farm Bureau doesn't endorse political candidates, a spokeswoman said. Mr. Duvall said in a statement Sunday that the group "works with administrations on both sides of the aisle to improve the lives of farmers."

With government payments rising to their highest in 12

years, overall farm income in 2018 increased about 8%. Crop prices remained low and tariffs weighed on prices for goods like meat and milk. Farm bankruptcies in regions covering major farm states climbed in 2018 to the highest level in at least a decade, federal data show.

Improved prospects

Prestage's prospects began looking better in Iowa. China's deepening need for pork, exacerbated by a disease the USDA estimated wiped out more than 40% of the country's own hogs, brought Chinese buyers looking to order pork when Prestage's plant could supply it. With Mr. Trump's late-2018 signing of the U.S.-Mexico-Canada trade agreement, inquiries came from Mexican buyers and U.S. retailers.

In November 2019, after Mr. Trump called a trade truce with China, pork exports boomed. Prestage's Iowa plant turned its first monthly profit.

Then in February, Mr. Prestage said, Chinese buyers called: The coronavirus outbreak was cutting into Chinese meat consumption, and they planned no further orders from Prestage until the disease came under control. As Covid-19 spread in meat plants, Prestage spent heavily on safety gear, sick pay and testing employees. Hog futures fell more than one-third over the first half of

2020, then surged back, rising 36% in September.

Prestage's hog business is on track to lose money for a third straight year, Mr. Prestage said.

Mr. Trump, if re-elected, would push for increased farm exports to China and improved trade terms with partners like the United Kingdom and the European Union, a Trump-campaign official said. He would work with Congress to overhaul immigration and make it easier for U.S. farmers to hire immigrant workers, she said.

The USDA's Mr. Perdue said that farm income has grown despite trade battles and that farmers backed Mr. Trump's efforts to push for better terms.

"The president's style is probably not the style of many people," he said, "but the fact is he gets stuff done."

Mr. Biden has said he would scale back Mr. Trump's trade wars and enlist allied countries in a front against China's practices. He has said he would double government-loan sizes for beginning farmers and develop regionalized supply deals between farmers and schools, hospitals and other government institutions, providing farmers new markets for crops, produce and meat.

He has outlined a plan to pay farmers for sequestering carbon in soil, and like Mr. Trump, has pledged to expand ethanol and rural broadband access. "What's envisioned is creating additional market opportunities," said Tom Vilsack, USDA secretary under the Obama administration, who helped craft Mr. Biden's rural plan.

Howard Hill, 76, who raises hogs, cattle and crops near Cambridge, Iowa, said Mr. Trump's trade fights were necessary to ensure fair play, and he praised the administration's moves to roll back environmental regulations. "Overall," he said, "I'd say ag is probably in better shape today than it was."

If Mr. Biden is elected, Mr. Hill said, he worries about higher estate taxes.

Biden aides have said he would support returning to the estate-tax structure in place in 2009 before changes to the law. That would lower the exemption and raise the rate. Mr. Biden also has proposed changing capital-gains rules in ways that could require tax payments on appreciated assets upon death, instead of the income-tax-free inheritance that happens now.

Mr. Prestage worries Mr. Biden would give priority to environmentalism over agriculture and business. On social issues and law enforcement, he said, he worries Mr. Biden may follow more-liberal Democrats, whom he sees drifting further from his views on personal accountability. "You're entitled to have what you earn," he said, "but not entitled to take it from your neighbor who worked harder than you."

Mr. Biden has pledged not to raise direct taxes on people making less than \$400,000 a year, a campaign spokesman said, and his policies on climate change would help protect farmers' crops from environmental harm. In speeches, Mr. Biden has distinguished between protesting and rioting.

Mr. Prestage in August was reviewing plans to build a turkey plant in South Carolina—a safer gamble than pork, he said, because turkey is less export-reliant. And Mr. Trump remains the safer bet, he said: "I'll take the good with the bad."

—Richard Rubin contributed to this article.

GREATER NEW YORK

Business Group Urges Health System Fix

Improving initiatives for vulnerable New Yorkers is among the proposed changes

By MELANIE GRAYCE WEST

A powerful business group representing some of New York City's largest private-sector employers is calling for reforms in health-care programs and policies, including a system to set health standards for indoor spaces and better integration of health care with social and economic initiatives for vulnerable New Yorkers.

A report from the Partnership for New York City and Deloitte Consulting, released Monday, represents an urgent call to action to the business community and others to tackle the city's broad public-health issues.

"Covid-19 revealed the imperative to move towards a resilient system of health where the primary focus is to predict and proactively treat illness at a community level rather than provide reactive care when an individual gets sick," the report said.

The group's push on public health follows a September letter to Mayor Bill de Blasio

that spotlighted New York City's deteriorating condition as a result of the pandemic and mounting anxiety about several quality-of-life issues.

Members of the city's business community also have said they have felt sidelined in the city's financial recovery.

Members of the partnership include Bank of America Corp., Goldman Sachs Group Inc., and JetBlue Airways Corp.

The partnership recommends the city establish group purchasing or local-sourcing or manufacturing of hospital supplies.

During the height of the Covid-19 crisis earlier this year, there was a massive shortage of personal protective equipment for health-care workers, which drew regular criticism from unions representing those workers. New York hospital systems turned to upfront payments, charity donations and deal-making to secure needed equipment.

The partnership also recommends a government-accredited rating system that would help to restore confidence in the health and safety of public spaces. Such a system could model the city's restaurant-grading system, said David Betts of Deloitte Consulting.



Personal protective gear was in short supply for New York City health-care workers earlier this year.

Kathryn Wylde, president and chief executive of the partnership, a nonprofit, said the business community has episodically been involved in specific policy issues such as antismoking efforts. The group previously has recognized how other factors that help deter-

mine the overall health of New Yorkers such as access to transportation, job type or immigration status, can affect the economy.

The report also recommends more integrated data systems across agencies, including one that better tracks

health disparities citywide by pooling data on social, economic and environmental conditions.

Separately, the group is urging the city to create a data system that can provide real-time insights during a crisis to better organize health-

care resources.

Jeffrey A. Kraut, the executive vice president for strategy and analytics for **Northwell Health**, said the city's health-care system didn't provide good insight into communities they were trying to help during the pandemic. A better data system is needed, he said.

"I wanted to know where these clusters were appearing," Mr. Kraut said. "Then I could have worked with some of my primary-care and my ambulatory-care network to deploy increased testing earlier in the process."

The report also calls for an expansion in preventive care at the community level, which is more accessible and can help to lower health-care costs.

Ms. Wylde, who began her career at a community hospital in Brooklyn, said the same inequality issues in health care were well known 50 years ago. Even with all the technological advancement and sophistication in health care, she said, "we still found ourselves in basically the same situation with huge comorbidity problems and disparity in care."

"It's become the responsibility of all of us to make sure we fix it and this doesn't happen again," Ms. Wylde said.

In N.J., Covid-19 Cases Are Increasing

By JOSEPH DE AVILA

Indoor gatherings are fueling a new spike in coronavirus infections in New Jersey, as the number of new daily cases has roughly tripled from the figures of mid-September, health officials said.

New Jersey reported 1,191 new cases of Covid-19 on Monday following 1,275 cases the previous day. That daily case count hovered around 300 to 400 about a month ago.

The state's rolling seven-day average of new cases hit 1,015 on Monday. During April, the state routinely recorded between 3,000 and 4,000 cases a day.

"Many of the new cases we are tracking are coming not from our schools or businesses or many other activities, but from private gatherings inside private homes," Gov. Phil Murphy said Monday.

Indoor gatherings in private residences are currently limited to a maximum of 25 people, under an executive order signed by the governor.

New Jersey has been scaling back restrictions put in place to help curb the spread of the coronavirus, but none of those rollbacks have contributed to the new increase in cases, said Judith Persichilli, commissioner of the Department of Health. Health officials, however, tracked 36 outbreaks from September through Oct. 5 and found 17% were linked to indoor gatherings, she said.

"It is understandable that residents want life to go back to normal, but as we approach the holiday season, now is the time to double down on social distancing, wearing face coverings and good hand hygiene," Ms. Persichilli said.

Mr. Murphy said he hasn't ruled out targeted restrictions to help bring the case count down, but he noted that the entire state is experiencing an uptick in cases, not just a few hot spots. Indoor gatherings in private homes are difficult for the state to regulate, he said.

New Jersey's spike in Covid-19 cases means it has now met the criteria used to add states to the quarantine travel advisory it maintains with New York and Connecticut. Travelers coming to New York, New Jersey or Connecticut from a state on the travel advisory must self-quarantine for 14 days.

States with a positive case rate higher than 10 per 100,000 residents or higher than a 10% test-positivity rate over a seven-day rolling average get added to the list.

New Jersey's positive case rate is currently 11.4 per 100,000 residents.

Family of Man Killed During Confrontation With NYPD Officers Demands Action



VOICING SUPPORT: New York City Public Advocate Jumaane Williams spoke during a Monday news conference calling for the firing of police officers involved in the fatal shooting of Allan Feliz in 2019 during a traffic stop for a seat-belt violation. The family was joined by others who have lost loved ones in police-involved incidents.

City Plans for Return of Government Workers

By KATIE HONAN

New York City's government, the largest employer in the city, is developing a plan to bring back 25% of its workers to offices by the end of the year, according to a person familiar with the matter.

The plan comes as most city workers have continued to work remotely since the coronavirus pandemic struck in March.

City officials are still developing the plan, which could be adjusted if New York sees a large resurgence of the virus, the person said.

A spokesman for Mayor Bill de Blasio, a Democrat, declined to confirm the timeline for the city work force's return.

New York is working out individual plans for each city agency's employees, said the spokesman, Mitch Schwartz.

"We're closely monitoring the dynamic public health crisis and developing reopening strategies accordingly," he said. "As soon as it's safe, New York City will set the standard for bringing the workforce back safely, efficiently, and sustainably."

The city began a phased re-

opening of its economy in June, but employees, private and public, have largely stayed away from offices.

A study last month found that only 10% of all Manhattan office workers were back, a much slower rate than in most other large cities across the country.

Mr. de Blasio has encouraged smaller and mid-level employers to start bringing back employees as safely as possible. Some business leaders also have urged Mr. de Blasio to create a plan for the city's own employees to return.

"Many of us have expressed a hope that the mayor would consider bringing back some of the city's workforce—keeping in mind all of the health and safety measures," said Jessica Walker, the president of the Manhattan Chamber of Commerce.

New York City's government employs more than 325,000, which includes about 269,900 civilian and pedagogical workers, according to the Independent Budget Office, a fiscal watchdog agency funded by the city.

A mayoral spokeswoman said City Hall officials were

still surveying agencies to get a comprehensive tally of who is still working remotely.

Mr. de Blasio first ordered some municipal workers to stay home in mid-March. That number grew days later after Gov. Andrew Cuomo mandated that nonessential employees work remotely.

It was the first time the city instituted a widespread remote-work order.

Before the order, the city

Officials are aiming to bring back 25% of NYC employees by the end of the year.

lacked a formal teleworking policy, according to a spokesman for the Department of Citywide Administrative Services.

Some government workers, including police officers and firefighters, never worked remotely because of their job requirements. Thousands of teachers also returned to public schools when they reopened for in-person instruc-

tion in late September.

However, tens of thousands of government workers, including some teachers who have been allowed to teach remotely, remain at home.

Agencies began submitting return plans this summer to city officials. At office buildings around the city, agencies are planning changes to space out and stagger workers for safety, according to plans that have been submitted.

The open concept of some offices could prove challenging in buildings at full capacity, but any initial reopening would be at a much lower capacity, according to a spokesman for the Department of Citywide Administrative Services, which manages city buildings and leases.

Some agencies already have started welcoming back employees. In those cases, they have set up staggered lunch schedules and keep in-person meetings to a minimum. Some offices installed new filters in HVAC units.

Employees have to complete mobile health screenings before returning, and wear masks and follow social-distancing throughout the day.

Henry Garrido, the execu-

tive director of District Council 37, the city's largest municipal union, said many of his members either couldn't work remotely during the pandemic or have in recent months returned to their jobs in schools, hospitals or at centers operated by the Human Resources Administration.

Mr. Garrido said although some employees had the option to work from home, they ended up coming into the office because of technology difficulties.

"I heard a lot of my members saying, 'I have one computer at home and my kid is using it for class,'" he said.

A spokesman for the mayor said the city purchased thousands of laptops to allow employees to work remotely.

Lower Manhattan, where many of the city's offices are located, has been hard hit by the absence of government workers, according to business owners in the area.

"The idea there is that even if there is a small increase in the number of people coming into the city, that could be a big help to the small business," said Ms. Walker, the chamber of commerce president.

GREATER NEW YORK

GREATER
NEW YORK
WATCH

NYC Eyes Easing Rules in Some Areas

By Stephanie Yang

Covid-19 hot spots in Queens could have lockdown restrictions loosened later this week as infection rates have declined there, New York City officials said Monday.

Rising cases of Covid-19 in parts of Brooklyn and Queens, as well as in Rockland and Orange counties, had prompted the state to impose new restrictions on those areas earlier this month.

In red zones, which have the highest positivity rates for Covid-19, the state ordered the closure of schools and nonessential businesses, and it limited capacity at houses of worship to 25% or 10 people.

New York City Mayor Bill de Blasio said at a news conference that the infection rate in central Queens has improved substantially and there could be action to change the district's health regulations in the next few days.

For other red zones, Mr. de Blasio said it is too early to specify when schools and nonessential businesses would be allowed to reopen, but estimated that it may take another couple of weeks.

"We do continue to see a leveling off in some of the areas of greatest concern," the mayor said. "We can get out of this in just a few weeks if everyone does what they need to do."

New York City's rate of positive coronavirus cases on Monday was 2.17%, and the 7-day rolling average was 1.62%, according to Mr. de Blasio.

"We can stop a second wave. Right now the numbers suggest we are stopping a second wave, but we have to remain vigilant," the mayor said.

During a Monday conference call, Gov. Andrew Cuomo said he would announce changes to New York City's red zones on Wednesday, though he didn't specify what those changes would entail.

However, he said the zones could be adjusted and rules around reopening would be



People read a notice of closure at a store in the Rego Park section of Queens, an area that has experienced a rise in Covid-19 cases.

contingent on infection rates and the responses from local communities.

"It's not just a number. It's a number and a set of circumstances, if they are actually cooperating and we see the numbers coming down and we know there are plans to get them down further," Mr. Cuomo said.

The overall positivity rate in red-zone areas was 3.31% on Sunday, according to state figures. In Brooklyn's red zone, the infection rate was 4.6%, down from about 6% at

the beginning of October.

In Queens, the infection rate in Kew Gardens and Forest Hills was 1.4% and in Far Rockaway it was 0.93%.

In Rockland County, the positivity rate was 2.68%, and in Orange County the positivity rate was 1.35% on Sunday.

Over the weekend, Mr. Cuomo announced that movie theaters outside of New York City can reopen on Friday at 25% capacity, with no more than 50 people in front of one screen.

Ski resorts also are allowed

to open at 50% of indoor capacity starting Nov. 6.

Mr. Cuomo said he is working with community leaders in the red zones and will establish new target numbers for infection rates within those locations.

The shutdown of specific areas in New York City has been met with some pushback from local leaders. Several ultra-Orthodox Jewish communities are in some of the red zones. Members of these communities say they have been unfairly targeted.

Three rabbis in Rockland County sued Mr. Cuomo in federal court last week over the restrictions. Earlier this month, federal judges rejected requests from Catholic and Jewish groups for an emergency block on the new state regulations.

Mr. Cuomo has defended the measures as a result of rising Covid-19 cases.

"It is a pure function of the numbers," he said Monday. "This has nothing to do with any particular religion, any particular culture."

NEW YORK STATE

Enforcement Begins
On Plastic-Bag Ban

New York's long-delayed ban on single-use plastic bags went into effect Monday.

The state law bans supermarkets, department stores and other types of businesses from distributing the thin plastic bags that have been clogging up landfills, getting tangled in trees and accumulating in lakes and oceans. Single-use paper bags are still allowed, but counties have the option of imposing a 5 cent fee.

The law was supposed to go into effect March 1, but state environmental officials delayed enforcement after a lawsuit was bought by a plastic-bag manufacturer and convenience store owners. A judge upheld key parts of the law this summer.

State Department of Environmental Conservation Commissioner Basil Seggos said last month that the agency would begin enforcing the ban on Oct. 19. The environmental agency on Monday confirmed it would begin enforcement.

—Associated Press

NEW JERSEY

Bill Allowing Online
Raffle Tickets Vetoed

Gov. Phil Murphy conditionally vetoed a bill Monday that would have expanded charitable groups' ability to sell raffle tickets online based around sporting events, determining that the measure was too close to internet gambling.

The Democratic governor rejected a bill that would have expanded a two-year-old law enabling groups to hold raffles at large sporting events.

Because the coronavirus pandemic has drastically reduced or even eliminated in-person attendance at large sporting events in the state, some legislators proposed expanding the law to let people buy tickets to such raffles over the internet, regardless of whether they were in a stadium.

—Associated Press

ONE IN TEN BABIES IS BORN PREMATURELY

THAT'S ONE TOO MANY

YOU CAN MAKE AN IMPACT IN THE LIVES OF PREEMIE PARENTS TODAY!

INFO@GRAHAMSFUNDATION.ORG
FACEBOOK.COM/GRAHAMSFUNDATION
INSTAGRAM.COM/GRAHAMSFUNDATION

We need your help!

Join us, in collaboration with the healthcare community, in providing parents with real and immediate support as they fight alongside their preemies.

WITH YOUR SUPPORT, WE CAN OFFER FAMILIES

- Informative Care Packages
- Trained Peer Mentors
- Useful MyPremie App
- Valuable Online Resources
- Supportive Community

GrahamsFoundation.org | 888.466.2948

© GRAHAM'S FOUNDATION IS A NOT-FOR-PROFIT ORGANIZATION RECOGNIZED AS TAX-EXEMPT UNDER INTERNAL REVENUE CODE SECTION 501(C)(3). EIN 26-2880389

f i t



YOUR HEALTH
SUMATHI REDDY

More than a month after getting sick with Covid-19, Susan Weinstein was still experiencing shortness of breath and a racing heartbeat.

When she went to see a pulmonologist in April, he said it was likely anxiety and suggested she try Xanax.

"I said, 'I don't think so, I'm a psychiatrist,'" says Dr. Weinstein, a 42-year-old in Ardsley, N.Y., who ran the New York City Marathon as recently as 2018.

Instead, through social media connections Dr. Weinstein found about half-a-dozen other doctors who were experiencing the same thing. All had gotten Covid and weeks later were suffering from new and perplexing symptoms, such as extreme fatigue, shortness of breath or memory fog. In many cases, they faced skepticism from the doctors they were seeking care from. They swapped questions about physicians, symptoms and potential treatments nearly every day on a Facebook messenger group.

Other doctors have sometimes dismissed their symptoms, or don't know how to treat them.

"We have this little support group of doctors sharing stories about medicines that work and talking about things that aren't always conventional because there's a lack of treatment options available," says Dr. Weinstein. "They helped me advocate for myself."

Doctors and other health-care professionals are heavily represented among the estimated hundreds of thousands of Covid patients who experience persistent symptoms after their acute illness. Such patients often refer to themselves as having long Covid or being long-haulers.

There's no reliable count of how many medical professionals have contracted Covid, but they were among the hardest hit populations in the spring. A July study in the Lancet based on self-reported data found that health-care workers had at least a three-fold increased risk of contracting Covid-19.

One of the most frustrating experiences of long-haul patients is finding medical care: Doctors sometimes dismiss their symptoms or have no idea how to treat them. For doctors themselves who have long-term symptoms, the experience has been eye-opening.

"This has absolutely changed my perspective as I reflect on what I've dealt with," says Jeffrey Siegelman, a 40-year-old associate professor of emergency medicine at Emory University School of Medicine in Atlanta. He got Covid in early August and still has profound fatigue and frequent heart palpitations.

Dr. Siegelman was supposed to go back to work earlier this month but says he is still on leave with no clear return date. Instead he now does a couple of hours of office work from home.

"I think about the patients I see who come in with symptoms that are very real and I can't find any objective data to point me to a certain diagnosis," says Dr.



The Doctors Whose Covid Symptoms Won't Go Away

Physicians hit hard by Covid-19 are turning to support groups and calling attention to its long-term effects; 'absolutely changed my perspective'

Siegelman. "In the emergency department you often discharge these patients to follow up with their primary care. I'm sure it's easy for patients like that to feel that they've been brushed off. Very much what I needed was validation even if there couldn't be a cure. I think I'll be much more sensitive to that going forward."

Some doctors with long-term Covid symptoms are turning to each other for support and advocating for greater awareness and better treatment.

Some are organizing in a formal way. In the U.K., a group of doctors who are long Covid patients are penning letters in medical journals and lobbying the government.

In a recent letter titled, "From Doctors as Patients: a Manifesto for Tackling Persisting Symptoms of Covid-19," in the medical journal BMJ, 39 doctors called for

better surveillance of long Covid and more clinical services and research.

Many of the doctors had connected on a Facebook group that today has nearly 500 members. "As the first wave lessened, it emerged that a group of us were still very unwell," says Ginevra Read, a psychiatrist in Bristol, U.K., who is one of the group's administrators. "It became clear that this group of doctors were keen to share their experiences."

Among its members and one of the authors of the BMJ letter is Jake Suett, a 32-year-old anesthesiologist and intensive-care doctor in King's Lynn, about 100 miles north of London.

Dr. Suett says he first got Covid symptoms in March. "I had gotten myself into the best shape I've been in my whole life," he says of his pre-Covid self.

He didn't require hospitalization but says he was very short of

breath. He wasn't able to get a diagnostic test until four weeks later, which was not surprisingly negative, but he was given a clinical diagnosis by his doctor.

He feels that he is slowly improving, but isn't sure if he has just adapted to a new normal or if he's actually getting better. "I still feel quite easily short of breath, I still get chest pains, I still get palpitations," says Dr. Suett. "I still have difficulty really thinking very clearly."

He, like many others, has been unable to return to work. He has tried twice but was thwarted by shortness of breath and chest pain.

"I know of a couple who have tried and none of us have managed," says Dr. Suett.

Dr. Suett says many doctors have had challenging experiences getting care themselves. "I can definitely see why it must be a nightmare for patients with these



Covid symptoms persisted for Annie S. Li, Jeffrey Siegelman, Jake Suett and Susan Weinstein.

types of conditions because if it's hard to show proof of how ill you're feeling. It's very challenging," he says.

Annie S. Li, 40-year-old child psychiatrist at NYU Langone Health and director of the children's comprehensive psychiatric emergency program at Bellevue Hospital Center in Manhattan, started the informal Facebook messenger group that Dr. Weinstein is in after writing about her battle with Covid in May.

Dr. Li had to take a leave of absence in the spring to focus on her recovery and delayed starting a new job.

She says she still has a lot of fatigue, gets bad headaches and has muscle aches. She can't exercise the way she used to and has recurrent sore throat and some brain fog.

"Multitasking is something that I prized myself on before Covid and now it's much more challenging," she says.

The informal support group helped in a time of darkness, she says. "I think it's that shared, 'You're not alone.' You're not."

They check in on each other about once a week.

"We were there cheering each other on," she says. "It was a lot of encouragement, a lot of exchanging of information. More importantly it was a safe space that we knew we were not going to get gaslighted or dismissed."

Long-Term Covid Patients Turn to Online Support Groups

For many Covid patients with long-term symptoms, online support groups have been an invaluable resource.

Several groups have thousands of members. In addition to connecting patients and advocating for better care, some groups are also launching their own research efforts or collaborating with researchers. Smaller groups have formed to focus on children or patients with specific symptoms, such as heart or neurological issues.

Among the most active is Body Politic, a support group that started in late March as a small Instagram group chat. It now has more than 14,000 sign-ups from people across the world and moved to Slack where it has organized into more than 50 channels on different topics.

The group also launched a patient-led research arm, publishing its first survey in May and currently working on another one.

Chelsea Alionar is an administrator for a Long Haul Covid Fighters group.

Diana Berrent, a 46-year-old in Port Washington, N.Y., founded Survivor Corps, a Facebook group and website, in late March after being diag-

nosed with Covid. Her original mission was to mobilize recovered Covid-19 patients to donate plasma.

The group now has more than 110,000 members and has become an advocacy group for patients dealing with long-term symptoms. The group is working with researchers and lobbying for more long-term Covid care centers.

Another popular support group is Long Haul Covid Fighters, which started on Facebook in April. Once it became clear that some Covid-19 patients weren't getting better even after three months, a second group formed in June for those earlier in their illness.

Each group is limited to about 5,000 members, says Chelsea Alionar, a 37-year-old long Covid patient in Keizer, Ore., and an administrator. Ms. Alionar says there are now plans for a third group as the number of patients grows.

"Our mission is to provide support for those whose health has been affected by Covid-19, promote public awareness and education regarding lengthy Covid recovery, and to advocate for the medical, mental health, and social interests of long haul Covid survivors," says Ms. Alionar.

—Sumathi Reddy



LEAH WASH FOR THE WALL STREET JOURNAL

PERSONAL JOURNAL. | HEALTH & WELLNESS



What if Your Therapist’s Tell-All Is All About You?

By ELLEN GAMERMAN

Catherine Gildiner’s new book about her life as a psychotherapist stars her former patients, some of whom experienced strong reactions after seeing their lives exposed on the page. Ms. Gildiner said one patient, a woman who had been abused as a child, told her that reading the book brought up repressed memories of her sadistic father and briefly sank her into a depression. Another, a wealthy antiques collector, was mortified by the thought of anyone ever knowing the patient was her and vowed not to tell a soul about her literary turn, the

author said. A third, Ms. Gildiner added, was a musician who felt so vindicated by the book’s portrayal of him that he showed the hardcover to everyone in his family. “All of them were happy to be in it,” said Ms. Gildiner, whose memoir “Good Morning, Monster: A Therapist Shares Five Heroic Stories of Emotional Recovery” came out last month. “The musician said, ‘If this helps even one person then it’s worth it.’” Doctor-patient confidentiality is a cardinal rule for therapists, a legal and professional obligation that is considered essential for treatment. But therapists are turning their case studies into page-turners. The widening acceptance

of mental-health care and the lucrative cachet of self-care in all its forms is fueling demand. Print sales of psychotherapy books are up 18% over last year, according to NPD Group/BookScan. The writing of case histories is a practice that reaches back to Sigmund Freud, but it raises some uncomfortable questions: Are enough details hidden so the subjects won’t be found out? Are so many details altered that the story turns untrue? What keeps therapists from embellishing their roles and the dramas of their patients? “A lot of therapists make their patients unrecognizable, but at some point, why not just write fiction?” asked Gary Greenberg, an

author and therapist whose practice is based in New London, Conn. “Here we have this practice devoted to honesty where this little irony occurs: In order to tell the truth, you have to lie.” Ms. Gildiner, a former therapist, thinks stories rooted in real life are worth telling. She sought permission from former patients and disguised their identities. “What you make up is never as good as reality,” said Ms. Gildiner. Professionals should not ask anything of patients beyond payment, some therapists say, adding that clients may not feel comfortable declining to be written about. If patients don’t end up in the book, they may worry that the therapist finds them boring. If they do make the cut, they might regret it later. “There’s a lot of disagreement in the field—it’s not an area where there’s a clear ethical consensus,” said Jacob M. Appel, a psychiatrist who writes about the profession. “Maybe You Should Talk to Someone,” a memoir by Los Angeles therapist Lori Gottlieb, was one of the bestselling

New books about therapy unpack the private lives of patients—do they cross a line?

books of 2019. It traces the author’s story of personal struggles, her own experience in therapy and her sessions with patients whose identities have been hidden. Now, it’s in development for a TV series. Ms. Gottlieb said she didn’t approach current patients or those she thought should not participate for clinical reasons. She described a rigorous permission process that included asking subjects to sign a release specifically for the book and talking repeatedly with them about comfort levels and privacy protection. Sometimes, the patients are the ones writing the books, which can be tricky when it comes to situations like group therapy. In “Group: How One Therapist and a Circle of Strangers Saved My Life,” a memoir by Christie Tate out next week, the author reveals her interactions with fellow patients in group therapy. While patients aren’t subjected to the same professional confidentiality requirements as therapists, those who share their experiences publicly can change the dynamic in treatment. “The theory is that people wouldn’t be honest or transparent with their therapists if not for the assurance of confidentiality, and as a result therapists might not learn information essen-

tial to providing good care,” said Mr. Appel. The problem: “It is generally difficult to prevent one patient from sharing another’s confidences with outsiders,” he said. Ms. Tate said she left out anyone who didn’t want to be included and showed the manuscript to group members, all of whose identities were shielded. She took out passages that she felt robbed other patients of the chance to tell their own stories. “These people are my family,” she said. “The idea of trading away any part of the relationship just feels like it would be death.” Lauren Wein, an editor at Simon & Schuster’s Avid Reader Press, worked on “Group” and “Maybe You Should Talk to Someone.” She said she couldn’t fact-check those books, given the confidentiality of the material. She is guided by instinct and would hesitate to pursue a manuscript with an overly heroic therapist. She tends to trust

memoirs with more self-interrogation by the narrator. Los Angeles psychologist Stan Friedman has been on both sides of the patient narrative. He once posted on his website about a divorced mother who informed him that she had a gun at home but would not reassure him that she wouldn’t use it. He never sought the patient’s permission to share the tale. The incident was roughly 16 years old, he reasoned, plus he did not reveal her identity and her therapy had ended a decade earlier. But unbeknown to him, the patient still read his website every day. She contacted him and told him how upset she was to see her traumatic life story summarized in one page. He offered her counseling for whatever she could afford, about \$20 an hour, until she felt the issue was resolved. “She didn’t believe I had done anything wrong,” he said, “but a part of her was upset to have to face those years of therapy all at once in a summary account.” As a former patient, Dr. Friedman allowed a well-known therapist to use one of his dreams in a professional lecture with his identifying information withheld. But a former colleague heard the lecture and, knowing Dr. Friedman had been the speaker’s patient, guessed the story was about him. Dr. Friedman didn’t mind. “It was the opposite of shame,” he said. “I was tickled.”

ANATOMY OF A WORKOUT JEN MURPHY

A Climbing Workout, No Rocks Required

Climbing involves much more than upper-body strength, says Zack DiCristino, a Salt Lake City-based physical therapist with USA Climbing and lead therapist for the U.S. national and Olympic climbing teams. It should be initiated through the feet and legs with the arms assisting, says Mr. DiCristino. “It’s similar to a baseball pitcher,” he says. “The muscles below the shoulder generate the power, and the arm goes along for the ride.” In many scenarios, climbers rely on leg and core strength to press themselves forward and upward when they can only use their hands for balance on holds. A strong core helps with balance as well as body control. “As a climber, you want to have your center of gravity in an optimal position at all times for balance and preparation for the next move,” says Mr. DiCristino. “When a climber jumps for a hold or swings away from the wall they need to be able to de-



Zack DiCristino, lead physical therapist for the U.S. Olympic climbing team, at Front Climbing Club’s South Main gym in Salt Lake City.

celerate those motions to avoid falling and get their feet back to the wall.” In everyday life, a strong core and good body awareness can help you stay upright if you slip on ice or regain your balance if you trip on the sidewalk, he says. Because climbers are often pulling or pushing with their shoulders and arms when they climb, they need to be diligent about training the small stabilizing muscles around the shoulders to prevent injuries, he says. Mr. DiCristino likes to add re-

sistance bands to exercises like planks and pull-ups to help cue the stabilizer muscles around the shoulder to fire, and to help reinforce proper movement patterns. Having healthy shoulders makes pulling on a rock hold, or reaching for a jar on a shelf, easier, he says. If you don’t have a resistance band at home, he suggests using a pair of nylons or suspenders. A TRX strap can be substituted with a dog leash or yoga strap.

To see more of the exercises in this workout, visit [WSJ.com](#).

ONE-ARM ROW WITH STRAP

Why: “Rows work the muscles around the shoulder blade such as the rhomboids and middle trapezius, which are important for posture and proper movement patterns at the shoulder complex, especially with pulling-type maneuvers,” says Mr. DiCristino. “By doing a one-arm version you also challenge your stabilizing muscles at the spine.” **How:** Wrap a strap around a secure anchor point like a tree branch, fence or banister at head height. You can also tie a large knot on the end of a strap and place it at the top of the door, closing the door so the knot is on the other side as an anchor, says Mr. DiCristino. Hold the strap with your right hand, keeping the arm straight in front of you and extend your left arm straight behind you. Your feet should be hip-width apart and your trunk rotated away from the strap. Slowly lean back keeping your trunk, hips and legs in a straight line. The further back you lean the more challenging the exercise. Perform a row by first pulling your shoulder blade back and down. Avoid shrugging or rounding the shoulder. As you rise, bring your left arm forward and straight in front of you, rotating through your right shoulder. Slowly return to the starting position. Do three sets of six to eight reps on each side. **Option:** Step one foot behind you for more stability. Start with a two-arm row if this is difficult.





ROLEX

OYSTER PERPETUAL DAY-DATE 36



WEMPE

ROLEX BOUTIQUE

ROLEX BUILDING
665 FIFTH AVENUE AT 53RD STREET
NEW YORK, NY 10022
212-759-8278
[www.wempe.com](#)

ARTS IN REVIEW



MUSIC REVIEW | MARK RICHARDSON

A Memo From The Boss

Since the release of his 2012 LP, “Wrecking Ball,” Bruce Springsteen’s creative output has mostly focused on sorting through and reframing his past. His 2014 collection, “High Hopes,” was filled with covers and older songs that were polished up and re-recorded. He issued an expanded version of 1980’s “The River” in late 2015 and later performed the album on tour. His terrific autobiography, “Born to Run,” followed in 2016, and during the next two years he presented “Springsteen on Broadway,” the show about his life and music based on his book. Mr. Springsteen’s record from last year, “Western Stars,” a set of string-laden character sketches that evoked the orchestrated folk-pop of the early ’70s, was an exception to this retrospective trend, but he wrote most of it in 2010, before his extended season of reflection.

“Letter to You” (Columbia), Mr. Springsteen’s 20th studio LP, out Friday, puts a bow on this phase of his creative life. It’s in part a concept album about the ability of music to give meaning to existence—a favorite theme of his—and it’s also a meditation on time’s passing, how if you live long enough you get used to saying goodbye to the people around you. For such themes it makes sense that Mr. Springsteen would reconvene the E Street Band, who haven’t joined him for a full studio album since 2009’s “Working on a

Bruce Springsteen’s new album is a record tailored to longtime fans that explores aging, loss and the meaning found in music

Dream.” He wrote most of the songs last year—though, intriguingly, three tunes date from the early ’70s—and all were recorded at Mr. Springsteen’s home studio in New Jersey over just a few days in November 2019. A film companion to the record by Thom Zimny, a frequent visual collaborator of Mr. Springsteen’s, documents the recording of the album in cozy black-and-white. It will be available Friday on Apple TV+. The result of these sessions is a comforting and often moving record tailored for Mr. Springsteen’s most loyal fans, reflecting an exchange between artist and audience that only long-term connection makes possible.

The sonic character of “Letter to You” is quintessentially E Street, with Roy Bittan’s piano and glockenspiel providing the sparkle atop sturdy guitar work from Mr. Springsteen, Steven Van Zandt and Nils Lofgren; Jake Clemons, nephew of longtime bandmember Clarence Clemons, who died in 2011, provides blasts of saxophone here and there.

Three consecutive tracks in the middle of the record directly address music as a force for transformation. “Last Man Standing” was written following the death of a friend of Mr. Springsteen, a bandmate from his high-school rock ‘n’ roll outfit, the Castiles. With his

friend’s passing, Mr. Springsteen realized he was the only surviving member of the five-person group and uses the song to reminisce about their gigs and marvel at the fact that he’s still making music all these years later. “The Power of Prayer” and “House of a Thousand Guitars” extend the backward-looking theme and connect to Mr. Springsteen’s earlier work—for ex-



‘Letter to You,’ Bruce Springsteen’s 20th studio LP, is out Friday.

ample, “Bells ring out through churches and jails” in the latter echoes imagery from early classics “Backstreets” and “Jungleland.” These melodies are so elemental they can sometimes bleed together, but when the tunes are less memorable the conviction in Mr.

Springsteen’s delivery and the chiming arrangements carry the weight.

The reworking of previously unreleased songs is the most provocative choice here. “Janey Needs a Shooter,” “If I Was the Priest” and “Song for Orphans” were written just a few years after the Castiles split, in some cases before Mr. Springsteen had a recording deal. Each stretches past six minutes, reflecting his impressionistic word-drunk era, when he seemed desperate to squeeze in every thought. But the down-the-middle arrangements on “Letter to You” are consistent enough to absorb the shaggy originals into the new record’s more disciplined aesthetic. The gesture of including such early work is meaningful for those who have been following his story for years, even if the execution smooths out its defining idiosyncrasies.

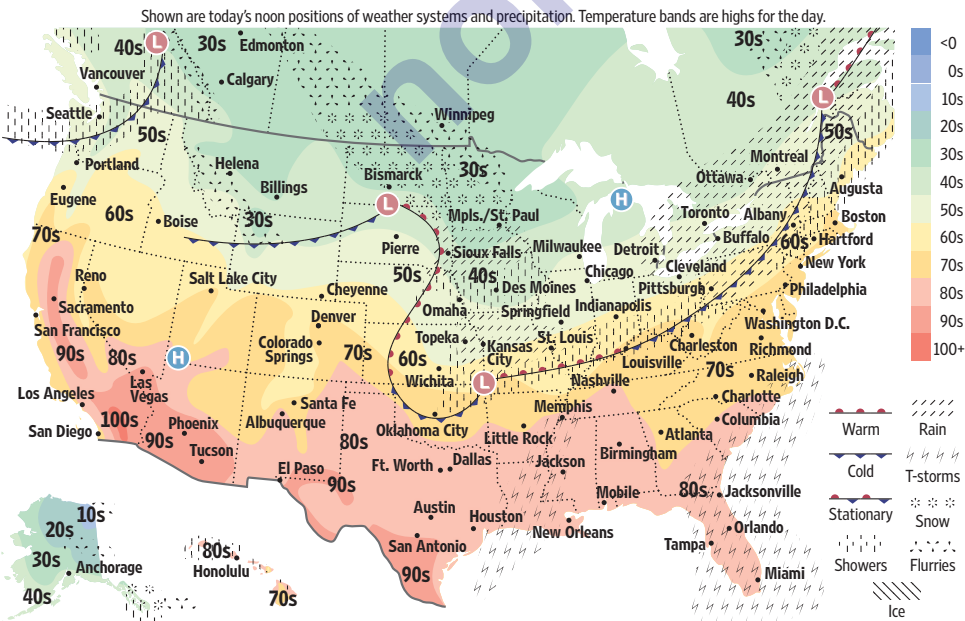
Hearing songs from Mr. Springsteen’s youth bumping up against new songs about his youth gives the album an alluring time-stretching flavor that seems designed to draw the faithful closer. During this late phase of his career, the individual listener’s relationship to his previous work provides the context. So what’s affecting to a devotee might seem cliché or even self-parodic to someone who approaches his music with skepticism.

The opening and closing tracks provide the perfect frame for the album, showing how death and loss are the flip-side of nostalgia, and they also illustrate just how fan-directed this record is. “One Minute You’re Here,” a haunted acoustic number delivered by Mr. Springsteen alone, points out that life can end in an instant, so every moment must be cherished. The lines “Autumn carnival on the edge of town / We walk down the midway arm-in-arm” conjure the wistful Jersey Shore setting that has served as a backdrop for Mr. Springsteen’s work from the beginning.

The brilliant closer “I’ll See You in My Dreams,” big-hearted and warmly optimistic, expresses earnest belief few artists other than Mr. Springsteen could pull off. It says that death is not the end, because memories remain, and it’s easy to draw lines between the song and the loss of E Street compatriots, namely Clemons and organist Danny Federici, who died in 2008. Mr. Springsteen, who is spry and healthy at 71 years old and probably has a lot of new music in front of him, has written a few dozen anthems that have dented the broader culture and will far outlive him. These more modest songs are likely to be remembered only by those whose relationship to Mr. Springsteen’s music feels more familial, which, given the record’s aims, seems just right.

Mr. Richardson is the Journal’s rock and pop music critic. Follow him on Twitter @MarkRichardson.

Weather



U.S. Forecasts

s...sunny; pc...partly cloudy; c...cloudy; sh...showers; t...tstorms; r...rain; sf...snow flurries; sn...snow; l...ice

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Anchorage	40	28	pc	38	28	s
Atlanta	78	63	pc	80	65	pc
Austin	88	70	t	88	69	t
Baltimore	76	59	pc	78	59	s
Boise	63	44	pc	64	31	pc
Boston	70	57	pc	66	59	pc
Burlington	58	46	r	63	51	r
Charlotte	78	61	pc	80	60	pc
Chicago	53	47	c	60	52	c
Cleveland	55	52	c	69	57	c
Dallas	82	68	c	84	69	pc
Denver	70	39	pc	71	52	s
Detroit	53	48	pc	64	49	pc
Honolulu	84	74	sh	86	73	pc
Houston	86	70	pc	86	70	pc
Indianapolis	60	57	c	67	58	c
Kansas City	54	43	r	60	57	c
Las Vegas	90	62	s	91	61	s
Little Rock	79	61	t	84	62	s
Los Angeles	81	61	pc	80	63	pc
Miami	83	77	t	83	78	t
Milwaukee	51	45	c	56	49	pc
Minneapolis	35	31	sn	41	35	c
Nashville	81	59	c	83	62	s
New Orleans	85	72	c	84	73	pc
New York City	70	61	pc	71	62	pc
Oklahoma City	73	59	c	82	66	pc

International

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Amsterdam	58	54	r	67	55	r
Athens	74	61	pc	69	62	pc
Baghdad	96	66	pc	97	66	pc
Bangkok	85	74	t	85	74	t
Beijing	66	49	pc	62	35	s
Berlin	55	51	c	60	55	sh
Brussels	59	55	r	69	56	sh
Buenos Aires	60	56	sh	63	58	pc
Dubai	94	75	pc	96	75	pc
Dublin	58	47	r	56	41	sh
Edinburgh	60	49	r	57	43	r

City	Today			Tomorrow		
	Hi	Lo	W	Hi	Lo	W
Frankfurt	60	50	c	67	55	pc
Geneva	63	47	pc	69	51	pc
Havana	84	72	t	88	72	t
Hong Kong	84	71	s	83	71	pc
Istanbul	67	61	pc	70	59	pc
Jakarta	92	77	t	91	77	t
Jerusalem	81	63	s	77	60	s
Johannesburg	89	59	s	80	55	s
London	66	56	pc	62	52	r
Madrid	71	58	r	68	55	r
Manila	87	79	t	86	80	t
Melbourne	65	50	pc	66	50	pc
Mexico City	75	52	s	75	49	pc
Milan	63	51	c	63	53	c
Moscow	39	31	r	39	35	r
Mumbai	89	80	t	91	81	t
Paris	61	57	r	70	57	r
Rio de Janeiro	81	72	pc	81	72	s
Riyadh	91	63	pc	92	62	pc
Rome	68	48	s	69	50	pc
San Juan	88	76	s	88	76	pc
Seoul	71	48	pc	67	50	c
Shanghai	74	62	pc	71	59	c
Singapore	88	79	r	88	78	t
Sydney	68	59	pc	73	64	pc
Taipei City	78	75	r	81	74	pc
Tokyo	66	57	pc	67	60	pc
Toronto	52	45	c	64	47	r
Vancouver	53	44	pc	52	39	s
Warsaw	52	45	c	56	50	c
Zurich	60	41	c	66	47	pc

The WSJ Daily Crossword | Edited by Mike Shenk

1	2	3	4	5	6	7	8	9	10	11	12	13
14				15				16				
17				18				19				
20				21				22				
23				24	25			26				27
28				29				30				
31				32				33	34			35
36	37							38				
39	40	41		42				43	44	45		
46				47				48				
49				50				51	52			53
54				55	56			57				
58				59	60			61				
62				63				64				
65				66				67				

START TRADING | By Parikshit S. Bhat

Across	23 *Be far superior to	48 Looking more upbeat
1 Interrogator's prompt	26 Commando maneuver	50 For each one
4 Driver of "Marriage Story"	28 Possible answer to "Where are you?"	51 *Precocious lad
8 Whitney Houston's record label	29 Pancake makeup?	54 Source of shock, sometimes
14 Islands accessory	31 Johannesburg's nation: Abbr.	57 Possible answer to "Who's there?"
15 Grand Canyon formation	32 Out, in a way	58 9:30 a.m. event at the NYSE, and a hint to the starts of the starred answers
16 Took the mound, as a relief pitcher	35 Twisty shape	
17 Alternative to Android	36 *Friendly toast	61 Up to, briefly
18 *It may temporarily blind you	39 Fuel additive brand	62 Pinpoint
20 Boring event	42 Autocrat	63 "Oh, now it's clear"
22 Jaguar's kin	43 Dadaist Jean	64 Simile words
	46 Derby participants	65 Postwar British prime minister

► Solve this puzzle online and discuss it at WSJ.com/Puzzles.

66 Watch over	30 Hank Azaria no longer voices him
67 "The Rise of Skywalker" heroine	33 Sever
Down	34 Atlanta university
1 VIP area occupants	37 Dedicated verse
2 "Watchmen" genre	38 Colorful coat
3 Renounces	39 Oldies syllable
4 Current unit	40 Leader's position
5 River of Scotland	41 Watch over
6 Egyptian serpent	44 Communist symbol
7 Sap provider	45 Basis for an argument
8 Height: Prefix	47 Type of column or cord
9 Grating vocal quality	49 Ready for the washer
10 Convey	51 Implore
11 Make notches in	52 Go around, in a way
12 Obsequious people	53 Track meet event
13 One or more	55 Refer to
19 Eternally, to poets	56 Reflex test site
21 Post-op program	58 Greeting in Brasilia
24 Addresses a rally, e.g.	59 End for journal or Japan
25 Tailors' creations	60 Cariou of "Blue Bloods"
27 Hosp. group	
29 Present, as an award	

Previous Puzzle's Solution											
VEER	TAP	BAT	CAROB	BETA	SAVE	RUNSAFE	FEVER	ANON	ISLEY	STAI	D
GOES	A FEW	ROUNDS	ERR	INS	AUDRA	LAIRS	LID	ASST	LIGHT	AS A FEAT	HER
ALIE	RED	TEAMO	NOSIR	SPA	KIN	CLASS	AFELONIES	HALTS	DIKES	ITSA	HIDDEN
CHIT	ERIE	DUMAS	KEIN	MAIE	EYRE						

SPORTS

The World Series of Opposites

A matchup between the high-payroll Dodgers and the low-payroll Rays becomes a referendum on baseball's economics

By JARED DIAMOND

Assuming the coronavirus pandemic allows for a normal season in 2021 the Los Angeles Dodgers will owe three of their players—Clayton Kershaw, Mookie Betts and Kenley Jansen—around \$75 million combined. The Tampa Bay Rays rarely pay that much to their entire roster.

Yet these two franchises, who operate on opposite ends of the sport's disparate financial spectrum, now find themselves in the exact same place: squaring off for a championship in the World Series after posting the best records in their respective leagues.

On the surface, it seems like a classic example of rich versus poor: deep-pocketed coastal elites against scrappy upstarts who somehow thrive despite their limited resources. It suggests that, while a giant payroll certainly helps, anybody can compete with enough creativity and ingenuity, even without any artificial constraints on spending.

But at the most precarious moment for baseball's fragile labor relations in a quarter-century, with the threat of a work stoppage after the 2021 season looming large, this matchup between the Dodgers and Rays serves as an inadvertent referendum on the game's economics.

While fans marvel at Betts's superhuman talent and the ridiculous ascension of the Rays' Randy Arozarena, officials from both sides of the negotiating table—not to mention 28 other team owners—will assess what it means for the future if the small-market Rays can rise above the competition with their microscopic budget. The Rays' payroll, prorated for the curtailed schedule, registered at under \$30 million, lower than all but two teams. The Dodgers once again sat near the top of the list.

"You want to see teams find success in different ways. That's part of what makes the game what it is," Rays general manager Erik Neander said. "I don't think you ever want to see there be one particular cookie-cutter form of success in anything. That's not what makes it fun."

As the only major North American professional sport without a salary cap—a hard-earned bargaining victory that the baseball players' union will likely never relinquish—baseball's integrity hinges on the paradigm that money doesn't matter much. Sure, the wealthy Dodgers, New York Yankees and Boston Red Sox will buy every expensive free agent. But don't worry, residents of Miami, Milwaukee or Pittsburgh,



FROM TOP: RONALD MARTINEZ/GETTY IMAGES; EZRA SHAW/GETTY IMAGES



The Dodgers, above, and Rays, left, operate on opposing ends of Major League Baseball's financial spectrum.

Pirates reaching the playoffs in three consecutive seasons in the middle of the last decade while spendthrifts like the Los Angeles Angels faltered. He'll cite the Rays, the epitome of frugality, now winning more pennants in the last 12 years (two) than the Yankees (one).

But a deeper look at the landscape paints a more complicated picture. Though the Rays and A's have accomplished remarkable things while keeping their costs low with a rotating cast of characters, they remain the exception. The Dodgers have won eight straight division crowns and on Tuesday night will appear in their third World Series in the past four years. The Red Sox have won four titles this century, the most of any team. The Yankees have qualified for the postseason in 22 of the last 26 seasons.

Perhaps more telling, the importance of wealth shows up in the most important category of all: championships. The Washington Nationals won last year thanks to three pitchers with contracts worth \$140 million or more. The Red Sox won in 2018 with the highest budget in the majors.

Teams that finished in the top half of payrolls have won 18 of the last 20 World Series, including 14 from the top 10, according to Base-

ball Prospectus. No team so close to the bottom of the payroll rankings as the 2020 Rays has come away with a title in decades, if ever.

That reality enables the Dodgers to enter each season all but knowing they will contend.

"Everybody was expecting us to get to the World Series," said Dodgers utility man Enrique Hernández, who hit a crucial home run in Game 7 of the National League Championship Series on Sunday. "We were expecting to get to the World Series."

These Rays can change that with a victory that would send shock waves across the industry. If they pull it off, they will have beaten the teams with the top three opening-day payrolls—the Yankees, Dodgers and Houston Astros—all in the same postseason.

Even the richest teams now use the Rays as a model. They run their organization with ruthless efficiency, using a deep commitment to analytics and a dispassionate approach to roster building that allows them to overcome their economic station. Removing all emotion from the equation comes at a cost, preventing fans from growing attached to players whom the Rays will soon part with, but it generates results.

"Our brand of baseball is not the same as the Astros or the Yankees," Neander said. "To show that there are different ways to do this, sure, I think that's great for baseball."

When the Dodgers needed somebody to run their baseball operations group after the 2014 season, they turned to Tampa Bay and

poached the Rays' general manager, Andrew Friedman. Exactly one year after winning the World Series for the fourth time since 2004, the Red Sox did the same, picking the Rays' Chaim Bloom as their chief baseball officer.

A Rays win—juxtaposed against yet another Dodgers loss—would only reinforce that belief, no doubt inspiring owners to wonder how Tampa Bay can win with so little when they cannot. Why commit \$365 million to Betts, like the Dodgers did in July, when the Rays prove that the key actually stems from improving their analytics and player development departments instead? A Dodgers title, which would be their first since 1988, would emphasize the power of superstars like Betts to carry a team over the hump.

Neander said the Rays don't try to outsmart anybody. He joked that he went to Virginia State while many of his peers graduated from Ivy League schools, so he couldn't do it if he tried. Nonetheless, the Rays represent modern baseball, not only because of their performance, but because of how little they spend to achieve it.

"We are almost entirely focused on just doing what we think is best for us and for our organization," Neander said. "Be it payroll, be it revenue disparity, any of that stuff, we don't really spend a whole lot of time on it, because it doesn't change anything."

With four more wins, it very well could.



From left to right, Gio Reyna (Dortmund), Christian Pulisic (Chelsea) and Sergiño Dest (Barcelona).

But for the top of the young American class, led by Christian Pulisic, this season is much more serious business than your average junior year abroad. It's the product of more players following his lead by committing earlier to a European soccer education.

Dest, born in the Netherlands and schooled at Ajax, is now breaking through at Barcelona. Midfielder Weston McKennie, a 22-year-old Texas native who attended Schalke's youth academy in Germany, has cracked Juventus's starting lineup. Tyler Adams, 21, scored in a Champions League quarterfinal for RB Leipzig this summer. And Gio Reyna is the newest bright young thing out of the Borussia Dortmund youth system.

Reyna's first professional assist came in the Champions League round of 16 in February against Paris Saint-Germain. He's only 17, but he fully understands his current purpose in life: Get the ball to Dortmund's towering Norwegian finisher, Erling Haaland.

"We came into the first team at the same time and ever since he's been drilling it into my head to 'pass me the ball, pass me the ball, pass me the ball,'" Reyna told the club's official channel.

None, however, is more established than Pulisic, who at 22 is somehow one of the oldest members of this American generation. Following his \$70 million transfer to Chelsea ahead of the 2019-20 season and a long injury layoff, he became one of the stars of the Premier League's post-hiatus summer. He expects to be at the heart of

Chelsea's attack now that he has recovered from a hamstring problem.

Manager Frank Lampard confirmed that by handing him the No. 10 jersey before the start of the season.

"We all know what a fit Christian Pulisic can do," Lampard told NBC.

Progress has always been slow for U.S. players in Europe.

No American had played in any UEFA tournament until 1976, when a Hungarian defector named Gyula Visnyei appeared for a Belgian team in the now defunct Cup Winners' Cup. It would take another 14 years for an American to get a first taste of the European Cup—the tournament that became the Champions League.

To this day, the most career goals scored by a U.S. national team player in the Champions League is six, by DaMarcus Beasley for Rangers and PSV Eindhoven.

You would be forgiven for forgetting that those ever happened.

To players like Dest, they're ancient history. The moment that truly shaped their young careers was much more recent: the U.S. national team's 2017 defeat in Trinidad that cost the team a berth at the 2018 World Cup. Though Pulisic was the only one of this contingent on the field that night, the impact of that game hasn't been lost.

They view themselves today as part of a national team rebuild under Gregg Berhalter that hopes to show progress in Qatar in 2022 and mature in time for the 2026 World Cup in the U.S., Mexico and Canada.

"He has a plan for us," Dest said of Berhalter. "We are the guys that have to do it."

U.S. Soccer Stars Make European Run

By JOSHUA ROBINSON

ONE OF AMERICAN SOCCER'S favorite pastimes over the past three decades has been measuring the progress of its players in Europe. U.S. soccer fans—and national team coaches—learned the names of obscure clubs in Germany and Scandinavia to track the few talents who had crossed the pond. A promising teenager's citizenship status could be as intriguing as his ball control.

So for a soccer culture in search

of milestones, this season's Champions League will set a new standard. For the first time in its history, European soccer's most prestigious tournament will involve 10 young Americans. They play for teams such as Barcelona, Juventus, and Chelsea—and they're all under the age of 26.

"It's not a surprise," said 18-year-old Sergiño Dest, who this season became the first American to play for Barça's first team. "I saw already in the youth [teams] that we have a lot of good players

and everybody's hungry."

Ten Americans in the Champions League is still far from a critical mass. It's roughly on par with the number of players in the Champions League this year from Serbia, a country with the 2% of the U.S. population. And not all of them are ready to feature right away. Konrad de la Fuente, also at Barcelona, only recently started practicing with the first team. Goalkeeper Zack Steffen, at Manchester City, is the club's third choice.

FROM LEFT: TED S. WARREN/ASSOCIATED PRESS; PHIL NOBLE/PRESS POOL; JOAN MONFORT/ASSOCIATED PRESS

OPINION

The Myth of Moderate Democrats



MAIN STREET
By William McGurn

Remember when Rep. Conor Lamb was the poster boy for how Democrats could prevail in Trump districts? Joe Biden sure does. Only two weeks out from the election, Messrs. Lamb and Biden are both working overtime to persuade Pennsylvania voters they are the moderates they claim to be.

It worked for Mr. Lamb 2½ years ago, when he narrowly flipped Pennsylvania's 18th Congressional District from red to blue in a special election—and then went on to win the general election in a more favorably redrawn 17th District. A former Marine officer and federal prosecutor, Mr. Lamb successfully presented himself as a faithful son of western Pennsylvania focused on kitchen-table issues. He even promised to vote against Nancy Pelosi for speaker of the House if elected, which he did.

This year is a different story. Mr. Lamb now has a record. He's also up against a formidable Republican opponent in Sean Parnell, an Army Ranger combat vet who was awarded a Purple Heart and two Bronze Stars for his service in Afghanistan.

In August, the New York Times ran a piece headlined “How Biden Could Learn from Conor Lamb's Victory in

Trump Country.” There's truth in that. But just as Mr. Biden is trying to put a moderate face on the Bernie Sanders/Alexandria Ocasio-Cortez platform he has embraced, Mr. Lamb has to defend himself against charges that he has moved left since taking his seat in Congress.

One year ago, well before the first votes in the Iowa caucuses had been cast, journalist Salena Zito—a co-author of “The Great Revolt: Inside the Populist Coalition Reshaping American Politics”—predicted the Lamb-Parnell matchup would prove a “bellwether” race with national implications. “Democratic presidential candidates cannot win Pennsylvania without western Pennsylvania support,” she wrote, “and they cannot win the presidency without Pennsylvania.”

The district, she points out, is a mix of left-leaning upper-middle-class suburbs such as Mt. Lebanon, with Beaver County's union families and rural Butler County voters thrown in. The last poll, taken by On Message for the Parnell campaign, had Mr. Lamb up 45% to 44%. More recently Mr. Parnell announced he'd out-raised Mr. Lamb for the second straight quarter.

Mr. Parnell calls his rival “Pelosi's little Lamb.” During his televised appearance at the Republican convention in August, he also said the Democratic Party had “turned against” the people it used to represent, like his lifelong union Democrat grandfather.

“I watched as Joe Biden spit venom at an auto worker who dared to question Joe's intention to dismantle the Second Amendment and take your guns,” Mr. Parnell said.

Mr. Biden and Mr. Lamb are trying to have it both ways. Mr. Biden, for example, is running on policies that would make his administration far more progressive than Barack Obama's—while insisting to Pennsylvania voters he's a moderate.

Joe Biden and Conor Lamb show a different face in Pennsylvania than in Washington.

Mr. Lamb faces a similar test. In his 2018 campaigns he pointedly avoided bashing President Trump, but once he landed in Washington he voted to impeach. Now he's trying to appeal to seniors and suburbanites by presenting Mr. Parnell and the GOP as threatening ObamaCare and Social Security.

In an ad Mr. Parnell rattles off votes or positions he says give the lie to Mr. Lamb's claim to be a moderate. These include Mr. Lamb's vote against the Born Alive Act, his vote to block withdrawal from the Paris Climate Accords, and the “F” rating he was given by the National Rifle Association. Still, the biggest issue is fracking.

Messrs. Lamb and Biden are both desperate to prove their

moderate bona fides on fracking, which provides thousands of jobs in western Pennsylvania. After several contradictory statements, Mr. Biden now says categorically he opposes a ban on fracking and would ban only new oil-and-gas permits on federal lands. But that's a minority view in his own party, with his running mate Kamala Harris on record as favoring a full ban.

When Rep. Ocasio-Cortez introduced a bill to ban fracking in February, Mr. Lamb complained. It seems to have worked. When Democrats announced their unity platform in July, there was no mention of a fracking ban. Even so, Mr. Biden and Mr. Lamb belong to a party whose goal—sometimes delayed but never reconsidered—remains to eliminate fossil fuels.

The question Pennsylvania voters have to ask themselves is this: Will Mr. Lamb and Mr. Biden's opposition to a ban be enough to stop one—or will it merely postpone the inevitable? This is tied to the larger question whether the word “moderate” means anything in today's Democratic Party.

Certainly Mr. Lamb is not where Ms. Ocasio-Cortez is, but neither is he quite the independent-minded moderate he'd like voters in the 17th District to believe. He remains favored to win re-election, and Mr. Biden may well carry the state. But Mr. Parnell's showing so far suggests it wouldn't be wise to bet the house on either.

Write to mcgurn@wsj.com.

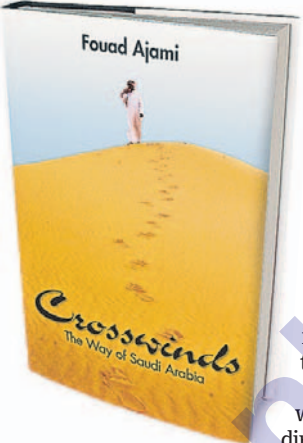
BOOKSHELF | By Martin Peretz

Middle East
Balancing Act

Crosswinds: The Way of Saudi Arabia

By Fouad Ajami
(Hoover Institution, 222 pages, \$24.95)

Search for recent news articles about Saudi Arabia and the first name certain to appear is that of Jamal Khashoggi, the Saudi journalist and inside player of Saudi power politics who was exiled from the kingdom, became an outspoken critic of the House of Saud, and in October 2018 met his gruesome end in an ambush inside the Saudi consulate in Istanbul—an attack about which Crown Prince Mohammed bin Salman denies any foreknowledge. The Khashoggi incident was met by world-wide revulsion; it's been a blow to Saudi Arabia's reputation that, in comparison to those of the kingdom's neighbors, is warranted but not deserved. Every day, for example, more evidence surfaces of the top-down human-rights abuses in Iran and the unending human wreckage caused by the Syrian genocide. Still, Khashoggi's fate has become a more potent symbol than either of these, emblematic of an increasingly hardline, conservative regime that the American foreign-policy establishment, and much of the American public, dislikes and distrusts.



Actions don't exist outside of contexts. Insisting on a less myopic look at Saudi Arabia doesn't mean excusing Khashoggi's murder, but it does mean contextualizing it, bringing to it an analytical commitment to complexity too often attenuated in our times. This is the indirect achievement of “Crosswinds,” a posthumous book by Fouad Ajami that makes sense of the Saudi kingdom on its own terms—terms dense and tense with possibilities.

The Lebanon-born Ajami, who died in 2014 at age 68, was director of Middle East Studies at

Johns Hopkins School of Advanced International Studies and America's most prominent pragmatic idealist about the possibilities of liberalization in the Middle East. “Crosswinds,” completed in 2010 and drawing on 30 years of anecdote and analysis, attempts to gauge those possibilities in Saudi Arabia, not as an apology for the kingdom but as a corrective to facile critiques.

In this work, more penetrating than argumentative and more deepening than sweeping, Ajami shows that behind its deliberately opaque exterior, modern Saudi Arabia has been defined by the calibration of tensions between competing forces: deep conservatism and yearnings for modernity; the ferocity of radicalism and the dependability of oil revenues; pressures from America to move left and from Iran to move right. The role of the monarchy in negotiating these crosswinds implicitly repudiates the brutal despotic repressions of regional neighbors like Iran and Syria: the Saudis may be authoritarians but they are also pragmatists.

Pragmatists their neighbors most certainly are not: One of Ajami's revelatory explanations is of the negative role played by the radicalism of the Iranian Revolution in shaping Saudi Arabia. Writes Ajami: “There was no kingship in Islam, [Ayatollah] Khomeini asserted, and this Islam in the Peninsula was only ‘American Islam,’ an instrument of the Great Satan.” In response, to maintain its religious identity, Saudi leadership gave conservative preachers, the religious establishment, and their enforcers (the religious police the *mutawwa*) more and more rope. Ajami uses observations gathered firsthand to emphasize the acuteness of this shift.

He focuses particularly on the revolution's impact on Saudi women, who in the mid-1970s were permitted education for the first time, only to see liberalization recede soon after. Indeed, Ajami's most sustained critique in these pages is of repressive gender norms, and he allows a chorus of articulate, well-educated women to speak for themselves about restrictions that limit their lives. In one particularly telling line, a Saudi woman laments the loss of a world that placed “less emphasis on religion” and allowed one to cultivate “a genuine desire for the modern world, a curiosity about the movies of Egypt and about the literary output of Beirut, about the pop culture of America.” Crucially, Ajami probes the political consequences of these restrictions: “Young men denied normal access to the company, and to the world, of women are damaged”; they “desire and despise women at the same time,” which results in both “sexual repression and compensatory militant zeal.”

An exploration of the Saudi temper that has both the interpretative heft of scholarship and the anecdotal brilliance of literary travelogue.

Also in “Crosswinds” Ajami brings his intricate knowledge of American geopolitics to tracing the convergence of this militant zeal with America's Middle Eastern ventures in the years after the Iranian Revolution. In Ajami's telling, the first Gulf War put Saudi leadership further on the defensive against reactive Islam—spotlighting its dependence on America for security despite what was seen as the defiling presence of U.S. troops on Saudi soil. Osama bin Laden—with the tacit applause of the Saudi elite, some of whom funded terrorism while maintaining close ties with the royal family and the state security apparatus—nurtured that insult all the way to 9/11. The book unwinds this evolution with a deft combination of exposition and earthy example: It has the interpretive heft of a scholarly work and the sharp observation of a literary writer's travelogue.

This approach pays dividends, even when it comes to predicting a future Ajami could not see—the book unearths the Saudi government's unease at the beginning of President Obama's pivot to Iran in 2009 and 2010. Indeed, it was Mr. Obama's turn toward Iran that eventually concentrated and hardened the Saudi mind: perceiving a real threat, the Saudis began to detach from America and look to their own defense and alliances, balancing less and asserting more. Today, under the extremely assertive, sometimes reckless crown prince, the presence of the *mutawwa* and the influence of the religious establishment is much diminished. But, even as the prince has lifted a ban on women driving, he has cracked down on women human-rights campaigners and demoted pragmatic reformers like the former foreign minister Adel al-Jubeir.

Ajami cannot tell us about these developments, but his socially astute, politically savvy book leaves us with a more nuanced view of the kingdom's evolution and of its causes, some of which can be traced to our doorstep. Whether Mohammed bin Salman deserves derision, support, or something in between, Saudi Arabia did not reach its current impasse by accident: 40 years of relentless Iranian aggression and intermittent American naivete helped drive the kingdom there.

Mr. Peretz was editor in chief of the New Republic from 1974 until 2011.

Biden Will Make America Lead Again

By William McRaven

In their 1998 book, “A World Transformed,” George H.W. Bush and Brent Scowcroft recount the events that fundamentally changed the world during the Bush presidency. At the end of the last chapter Bush observes: “The importance of American engagement has never been higher. If the United States does not lead, there will be no leadership. . . . If we fail to live up to our responsibilities, if we shirk the role that only we can assume, if we retreat from our obligation to the world in indifference, we will one day pay the highest price once again for our neglect and shortsightedness.”

For all the challenges the past 20 years brought on this country—for all the loss, the heartache, the hubris and the errant decisions—in times of crisis, the world still looked to

America to lead. They believed that in spite of our political differences, our domestic turmoil, the ugliness of our democratic process and some bad decisions, America in the end would do the right thing. That we would stand up to tyranny, lift up the downtrodden, free the oppressed, and fight for the righteous.

We need a president with decency and a sense of respect.

Now, the world no longer looks up to America. They have been witness to our dismissiveness, our lack of respect and our transactional approach to global issues. They have seen us tear up our treaties, leave our allies on the battlefield and cozy up to despots and dictators. They have seen our incompetence

in handling the pandemic and the wildfires. They have seen us struggle with social justice. They no longer think we can lead, because they have seen an ineptness and a disdain for civility that is beyond anything in their memory. But, without American leadership the world will indeed be transformed, just not in the way we hope.

This could all change in November.

We need a president who understands the importance of American leadership, at home and abroad. We need a leader of integrity whose decency and sense of respect reflects the values we expect from our president. We need a president for all Americans, not just half of America.

This week I went to the polls in Texas. Truth be told, I am a pro-life, pro-Second Amendment, small-government, strong-defense and a national-anthem-standing

conservative. But, I also believe that black lives matter, that the Dreamers deserve a path to citizenship, that diversity and inclusion are essential to our national success, that education is the great equalizer, that climate change is real and that the First Amendment is the cornerstone of our democracy. Most important, I believe that America must lead in the world with courage, conviction and a sense of honor and humility.

If we remain indifferent to our role in the world, if we retreat from our obligation to our citizens and our allies and if we fail to choose the right leader, then we will pay the highest price for our neglect and shortsightedness.

I voted for Joe Biden.

Mr. McRaven, a retired Navy admiral, was commander of U.S. Special Operations Command, 2011-14.

Trump's Middle East Metamorphosis



GLOBAL VIEW
By Walter Russell Mead

George W. Bush and Barack Obama both tried to transform the Middle East. Neither found the kind of success he sought.

But as the U.S. has reduced its regional footprint and ambitions, the Middle East has begun to change on its own. One of the most recent signs of its metamorphosis was Saudi Prince Bandar's blistering criticism of Palestinian leaders for their decades of poor decision-making. His words are underscored by his kingdom's decision to open its airspace to commercial flights from Tel Aviv to Dubai. Taken with the United Arab Emirates shifting from not recognizing the Jewish state to building a warm peace and economic partnerships with Israel, it's clear the region is moving away from the predictable sterility of the past toward something genuinely new.

In the new Middle East, the younger generation is turning its back on religious radicalism, and Arab public opinion is moving to accept the presence of a Jewish state. The Palestinians have lost their position at the center of Middle East politics, and it is Turkey and Iran, not Israel, that Arab rulers are most concerned to oppose.

Last week I asked U.A.E. Ambassador Yousef Al Otaiba to explain what was

happening, and the first thing he did was point me to recent polls by the Zogby organization and 12th annual ASDA's Arab Youth Survey, which interviewed 4,000 young Arabs (18 to 24) in 17 countries.

President Trump's peace plan, which many longtime Middle East experts dismissed as a ghastly blunder that would destroy the American role in Middle East peace negotiations, has turned out to be relatively popular on the Arab street. The Zogby survey found majorities in favor of the “Deal of the Century” in Egypt, Saudi Arabia and the U.A.E.

Asked to identify which countries had most increased their influence in the Arab world over the past five years, more young Arabs in the survey named the U.S. than any other country. (Only 16% named Russia.) Fifty-six percent considered America “an ally” of their country, up from a low of 35% in 2018.

On other issues, 67% of young Arabs in the survey agreed that “religion plays too big a role in the Middle East.” Seventy-six percent of young women and 70% of young men supported the idea of married women working outside the home.

If attitudes on the Arab street are changing, attitudes in the suites are changing even more. The picture that emerged from my conversation with Mr. Otaiba, which was underscored in a later talk with national security adviser Robert O'Brien, was

that key Arab leaders have embraced the idea that better relations with Israel are critical to their states' security and even survival.

It is Turkey even more than Iran that keeps some Arab leaders awake at night. President Recep Tayyip Erdogan has aligned himself closely with the Muslim Brotherhood, a regional Islamist movement that Mr. Obama once hoped could

Arab leaders fear a President Biden may spurn Israel and cozy up to Turkey and Iran.

tame terrorism by introducing a moderate and democratic form of Islamist politics into the region. That dream died with Mr. Erdogan's turn toward a more authoritarian approach, the incompetence of Mohamed Morsi's government in Egypt, and the continuing support for violence by Brotherhood-affiliate Hamas.

Many Arab leaders fear that Turkey will use the brotherhood's networks to build support for Ankara's regional ambitions. Iran can only call on the minority Shiites for religious support, but Turkey can attract supporters from the Sunni majority.

Ironically, the current Arab nightmare is that the next U.S. administration won't support Israel enough. Regional leaders fear that Team Biden would ignore Israeli as

well as Arab objections, embracing Turkey, a North Atlantic Treaty Organization ally, despite Mr. Erdogan's ambitions, and dropping sanctions against Iran as part of a return to the 2015 nuclear deal.

Close Arab cooperation with Israel will, some in the Gulf seem to hope, help keep that specter at bay. Prime Minister Benjamin Netanyahu's agreement to defer annexations of West Bank territory in exchange for the relationship with the U.A.E. was a gift to both American political parties. Republicans could hail a foreign policy victory for Mr. Trump. For Democrats it meant that the Biden campaign and a President Biden would not be distracted by a bitter intra-party fight over the U.S. response to Israeli annexations. Aligned with Israel, the Arabs hope their voices will be heard more clearly and their interests taken more seriously no matter what happens in the November election.

Meanwhile, Mr. Otaiba believes that bringing Gulf capital into the Israeli economy and Israeli technical expertise to the Gulf can help Arab countries achieve economic results that will satisfy the restless younger generation. One suspects Washington would welcome having America's Gulf allies displace China as an important source of foreign investment in Israel.

The Middle East has changed; American thinking will have to adjust.

OPINION

REVIEW & OUTLOOK

Tax Raid in Arizona

Arizona has long been a refuge for Americans seeking relief from high-tax California and states in the Northeast. But a tax referendum on the ballot Nov. 3 would whack job creators and make people rethink retirement in Scottsdale or a business move to Tucson.

Proposition 208, or the Invest in Education Act, would impose a 3.5% surtax on incomes above \$250,000, or \$500,000 for joint filers. The current top rate of 4.5% would rise to 8%, which would move the state to the 10th highest income-tax rate in the country, from 11th lowest today, according to the Tax Foundation. Arizona would move closer to California (13.3% top rate) than Nevada (no income tax).

As ever, this is being pitched as soaking the rich, but about half of the targets would be small businesses that pay taxes at the individual rate, according to the Grand Canyon Institute. They employ a huge chunk of Arizona workers, and the added tax costs would trickle down in lower pay and fewer jobs.

All the more so given that the 2017 tax reform limited to \$10,000 the federal individual deduction for state and local taxes. This heightens the financial pain from a state tax increase. One definition of fiscal insanity would be to raise state taxes when the Biden Democrats may soon raise federal tax rates to heights not seen since the 1970s.

Economists Art Laffer, Erwin Antoni and Steve Moore estimate that the tax increase would result in the migration to Arizona of 700,000 fewer people, 237,000 fewer jobs created, and a reduction of \$25.5 billion in personal income growth over the next 10 years.

The authors looked at IRS data and found that since 1992 Arizona has gained more than 201,000 tax returns and almost \$12 billion in adjusted gross income (AGI) from California. Illinois has lost more than 65,000 tax returns to Arizona and about \$5 billion in AGI over the same period. New York has lost 37,000 tax returns and \$2.3 billion in AGI to Arizona.

No doubt some of these are retirees looking for warmer climes, but snowbirds have other state options and can also live in Arizona less

than six months a year and not pay the state tax. Supporters say the tax increase would yield \$1 billion in new revenue, a huge expansion in a state with total expected revenue of \$12.5 billion in 2021. Yet that revenue estimate for the new tax is based on static figures, which don't take into account taxpayer behavior. It is likely to yield considerably less, as tax increases typically do.

The tax referendum is driven by unions seeking more money for education, though as recently as 2018 teachers went on strike and won a pay raise of 20% statewide. Republican Gov. Doug Ducey has also increased the state's education budget by \$6.6 billion since 2015—all without a tax increase. The state could afford this because economic growth and new residents drove higher revenue.

Arizona's Goldwater Institute estimates that only 13 cents of every dollar from Prop. 208 would actually go to teachers. About 75% is for payroll increases in areas such as "student support services," which covers an indefinite range of school employees.

Much of the financial support for 208 is coming from out of state, notably an outfit known as Stand for Children, which is based in Portland, Ore., that has poured in \$4 million. Arizona law makes it relatively easy to put a tax referendum on the ballot, and progressive donors around the country hope a victory will spur a nationwide trend, as in the 2018 teacher strikes.

A tax increase also makes no sense as the state is still trying to recover from its summer Covid-19 spike. Gov. Ducey, who opposes the ballot measure, helped keep the state in motion by allowing key industries to reopen after unemployment peaked at 13.4% in April. But the jobless rate still stood at 5.9% in August, and Prop. 208's tax increase would slow investment and spending far into the future.

A Sept. 30 poll by Suffolk University and USA Today found 47% support for 208 compared with 66% in a Monmouth poll two weeks prior. But opponents are being heavily outspent. Arizona voters have to decide if they want to set their successful state on the tax-and-spend path to fewer jobs and slower growth.

Unions won a 20% raise in 2018. Now they want a huge tax increase.

Iran Arms Embargo Reckoning

The international arms embargo against Iran expired on Sunday, underscoring the flaws in the 2015 nuclear deal and the failure of the United Nations on collective security. It also raises a question for Joe Biden: How is he going to contain Iran when he vows to return to the deal?

The 2007 United Nations embargo prevented Tehran from buying combat aircraft, tanks and other advanced weapons. Ending the ban in 2020 was one of the many concessions to Iran that the Obama-Biden Administration made to get the deal.

This summer the U.S. sought an embargo extension at the U.N. Security Council but was blocked by China and Russia. Eleven countries abstained, including the U.K., Germany and France, which are anticipating that President Biden will reverse President Trump's 2018 decision to exit. They stayed silent despite Iran's history of promoting terror in Europe.

The State Department doesn't recognize

the end of the embargo after it "snapped back" sanctions under the terms of the 2015 deal at the U.N. last month. Other countries object, so this is another case when the U.N. is more obstacle than ally to U.S. interests.

"The United States is prepared to use its domestic authorities to sanction any individual or entity that materially contributes to the supply, sale, or transfer of conventional arms to or from Iran," Secretary of State Mike Pompeo said Sunday.

Mr. Biden says he'd return to the 2015 nuclear deal if Tehran returns to compliance. He also promises to take a tough stance on Iran's malign behavior in the Middle East. But how is Mr. Biden going to contain Iran's regional imperialism and support for terrorism without an arms embargo? Like so much else about Mr. Biden's agenda, that question won't be asked until after the election. But you can bet it's on the mind of the mullahs.

Now that it has expired, how would Biden contain Tehran's mischief?

California Ballot-Harvest Boomerang

Democrats in Sacramento have been re-writing election laws to help their party "ballot harvest." But now Republicans have figured out how to play the same game, and Democratic state leaders are threatening legal action.

In 2016 California Democrats passed a law allowing anybody, including paid campaign operatives and political parties, to collect and return mail-in ballots. Two years later Democrats prohibited "disqualifying a ballot solely because the person returning it did not provide on the identification envelope his or her name, relationship to the voter, or signature."

We oppose ballot harvesting because it invites mischief and undermines public confidence in elections. Democrats dismiss these concerns and argue that ballot harvesting increases voter access. Ballot integrity isn't among their priorities.

In 2018 Orange County Registrar Neal Kelley reported campaign volunteers were dropping off hundreds of ballots. Democrats boasted that they used ballot harvesting to flip seven House seats in California that year including four in Orange County. Before this year's March primary, hospitality unions threw a "ballot party" for workers outside of Anaheim hotels.

If they couldn't stop these practices, Republicans decided to join them. They've also learned to harvest ballots more efficiently by setting up drop boxes at shooting ranges, churches, gun shops and GOP offices. The boxes, which are locked and supervised, received permission from the site hosts.

Democrats are suddenly alarmed. The state Attorney General and Secretary of State offices last week sent a letter to local GOP leaders alleging that their "unofficial drop boxes" violate state law and threatened legal action and criminal penalties. GOP leaders replied that one

"overzealous" volunteer had wrongly labeled a drop box "official," but the mistake was isolated and fixed within hours.

"We believe that temporarily holding [vote by mail] ballots in a locked box at a church or local Party headquarters is more secure than a Party volunteer or paid operative holding harvested ballots collected from voters at a senior center in the back seat of his or her car—though both are legal," GOP leaders wrote.

They're right. The GOP's ballot depositories don't threaten election security any more than Democrats' door-to-door operations. Both entail voters entrusting their ballots to third parties. Why are Democratic and union canvassers more trustworthy than churches and gun shops? The GOP drop boxes also present less of a public-health risk.

Meantime, Democrats are as usual accusing Republicans of voter suppression. Gov. Gavin Newsom's 2022 re-election campaign blasted out a message declaring "the GOP is terrified of losing—so they're willing to lie, cheat, and threaten our democracy all for the sake of gaining power." When Democrats harvest ballots, they are increasing voter access. When Republicans do it, it's cheating. Glad we cleared that up.

Democrats control every statewide office, a supermajority in the state Legislature, and 45 of 53 House seats. But they're afraid they may pay a political price this year for bad governance that has resulted in double-digit unemployment, catastrophic wildfires, power outages, rising homelessness, water shortages and other #thirdworldproblems.

So like leaders in one-party governments, Democrats are using the law to stymie their political opponents. Why not simply repeal ballot harvesting to reduce the chance of abuses on both sides?

LETTERS TO THE EDITOR

John McCain: Warrior, Politician, Maverick

Barton Swaim's review of Mark Salter's "The Luckiest Man" (Bookshelf, Oct. 13) eschews any discussion of John McCain's actions on behalf of the people of Arizona. As long-time Arizona voters could attest, McCain would fly home every six years and proudly trumpet his conservative principles and ironclad commitment to Republican ideals only to promptly catch the first post-election flight back to Washington to resume being the media's "maverick," as if the campaign had never happened. If we are to glean anything after reviewing McCain's 31 years in the Senate, it would be a resounding reaffirmation for congressional term limits.

RYAN RUFF
Chandler, Ariz.

In 1977 John McCain accompanied Sen. William Cohen, as the Navy's liaison to the Senate, for an official visit with the Bavarian government sponsored by major U.S. companies. I was given the task of taking care of Mr. McCain for two full days. As a Swede working in Germany, I had no idea who John McCain was, what he had endured, nor did my German management. John and I spent a very enjoyable 48 hours together during which he spent most of the time asking me about my views about Germany and Europe in general. To me, he was a refreshingly pure and inquisitive American with a great sense

of honor. He didn't want to talk about his war experience. Instead he showed a great interest in me and my ambitions. Toward the end of our second dinner, I finally got to ask him about his ambitions. He looked me in the eye and said firmly that his goal was to be president of the U.S. It was said with such resolve and optimism that he left me with little doubt about his life plan. Coincidence brought us together briefly 30 years later during his run for president when he told me he never forgot the time we spent together.

DAVID E.R. DANGOOR
New York

I voted for John McCain in the 2008 election for president, but only because he was the best of two bad choices. I admire him as a courageous warrior, but his constant need to stand apart from his chosen associates smacked of extreme egotism. This is not a particularly admirable trait for a team player, whether it be in the military or in civilian government.

JEFF PALUMBO
Grant, Minn.

Mr. Swaim writes: "You often had the sense that McCain cared chiefly about his own honor and not for any kind of ideological consistency." Many people would consider that a virtue.

MARK BROWNING
Lyons, Colo.

The Senate's Hearings on Amy Coney Barrett

Regarding your editorials "Who's Afraid of Amy Coney Barrett?" (Oct. 14) and "Barrett Should Refuse to Recuse" (Oct. 13): When Judge Barrett said she will interpret the laws as they were written, she laid down a marker. It would do us all a great service if these hearings forced the Democrats to set out clearly and concisely their alternative view of what approach a Supreme Court justice should take.

NEIL GAFFNEY
Chicago

paign issues and their candidate for president?

BILL BUIST
Atlanta

Amy Coney Barrett's straightforward responses (sans notes) are something we've haven't seen much of in today's political TV theater. The agenda-oriented questioners come off like intellectual midgets.

STEPHEN MADELINE
Vero Beach, Fla.

Does it seem hypocritical for Democrats to demand Amy Coney Barrett specify how she would rule on future cases or precedent while they support a presidential candidate who will not answer questions on court packing or whom he would nominate to the Supreme Court or his cabinet?

JIM LEHMANN
Ijamsville, Md.

Congress's Election Role vs. Supreme Court's

The constitutionality of the statutes referenced by Donald B. Stenberg was not before the Supreme Court in *Bush v. Gore* (Letters, Oct. 16). Neither party in that case raised the issue and, as a result, the general rule of "party presentation" applied. This rule provides that, except in extraordinary circumstances, courts do not reach out to identify and determine constitutional issues not raised by the parties themselves, and was reaffirmed by a unanimous Supreme Court only last term, in *United States v. Sineneng-Smith* (2020). Consequently, the *Bush v. Gore* Supreme Court's silence on the question was appropriate, and it says nothing about what the court will decide if and when the issue is squarely presented.

As we argue in our Oct. 12 op-ed "The Supreme Court and the Election Returns," there is no constitutional language—either in the original version of Article II, or in the 12th Amendment—that grants Congress the power to adjudicate disputes about which electoral slates

should be properly recognized or which electoral college votes ought to be credited. Congress cannot remedy this deficit by simply passing a statute. It is very clear, based upon the constitutional language, the Constitution's structure—reflecting the separation of powers—and the debates during the Constitution's drafting and ratification, that the Framers did not want Congress to play the role of a "kingmaker" in selecting the president. But Congress will become exactly that if it has the power to decide which electoral votes are valid and which are not.

The Supreme Court's decision in *Bush v. Gore* does not support Mr. Stenberg's position.

DAVID B. RIVKIN JR.
Falls Church, Va.

LEE A. CASEY
Fairfax, Va.

Bugs Bunny at 80 and the Amazing, Prolific Mel Blanc

While I enjoyed Will Friedwald's "Cultural Commentary: Still Wascally At 80" (Arts in Review, Oct. 14) on Bugs Bunny, Mr. Friedwald might have mentioned Mel Blanc's role in his success. Blanc voiced not only Bugs, but almost all of the other Warner Bros. characters, leaving behind an astounding body of work. Furthermore, Chuck Jones says in his book that the decision to give Bugs a Brooklyn "wise-guy" accent was made by Mr. Blanc.

GERALD E. KOCI
Homer Glen Ill.

Pepper ... And Salt

THE WALL STREET JOURNAL



Letters intended for publication should be emailed to wsj.letters@wsj.com. Please include your city, state and telephone number. All letters are subject to editing, and unpublished letters cannot be acknowledged.

JOEL BOON
Shakopee, Minn.

FISHER INVESTMENTS®

99 Tips to Help Make
Your Retirement
More Comfortable

Exclusive Offer—Call Now!

Get these must-have retirement tips for FREE by calling 888-983-5608
or texting+ “Plan” to 68658 or visiting FisherFreeGuide.com/Plan



Tip #18
How can you
plan for taxes in
retirement?



Tip #44
How can you
simplify Social
Security?



Tip #85
How can you spend
less without changing
your lifestyle?

Whether you’re already retired or planning to retire soon, you need answers to your pressing retirement questions on money, health, family and more. Learn ways to improve your finances and retirement lifestyle without making major sacrifices in our FREE guide, *99 Retirement Tips*.

If you have an investment portfolio of \$500,000 or more, please call to get *99 Retirement Tips* now. Millions of people have requested Fisher Investments’ free guides—they combine 40+ years of financial advice and tips from successful retirees, so you can get better outcomes for your retirement.

Call Toll-Free 888-983-5608

Text+ “Plan” to 68658 or Visit FisherFreeGuide.com/Plan

+Terms & Conditions at fisherinvestments.com/en-us/text-terms-and-conditions. Message and data rates may apply. Please see our Privacy Policy at fisherinvestments.com/en-us/privacy.

©2020 Fisher Investments. 5525 NW Fisher Creek Drive, Camas, WA 98607.
Investments in securities involve the risk of loss. Past performance is no guarantee of future returns.

BUSINESS & FINANCE

© 2020 Dow Jones & Company. All Rights Reserved.

THE WALL STREET JOURNAL.

Tuesday, October 20, 2020 | B1

S&P 3426.92 ▼ 1.63% S&P FIN ▼ 1.57% S&P IT ▼ 1.87% DJ TRANS ▼ 1.08% WSJ \$IDX ▼ 0.21% LIBOR 3M 0.209 NIKKEI (Midday) 23595.71 ▼ 0.32% See more at WSJ.com/Markets

Conoco Expands Shale Footprint

A \$9.7 billion deal for Concho marks latest consolidation in sector battered by low prices

By REBECCA ELLIOTT

ConocoPhillips has agreed to buy **Concho Resources** Inc. for \$9.7 billion in what would be the largest U.S. oil deal since the coronavirus pandemic began roiling global energy markets.

The acquisition gives ConocoPhillips, the largest oil producer in Alaska, a much larger

footprint in the hottest oil field in the U.S., the Permian Basin of Texas and New Mexico. The combined company would be the largest U.S. oil independent, with output in the Permian second only to **Occidental Petroleum** Corp., according to a JP Morgan Chase & Co. analysis of Enverus data.

“Sector consolidation is both necessary and inevitable,” ConocoPhillips Chief Executive Ryan Lance told analysts Monday. “We both believe our industry needs solutions that address the lack of scale, poor returns and, increasingly, the challenges and

opportunities of environmental, social and governance matters.”

The all-stock acquisition values Concho at a 15% premium to its closing price on Oct. 13 and would give shareholders 146 shares of ConocoPhillips stock for each share of Concho common stock. Bloomberg News reported the companies were close to a deal last week.

It is the latest in a series of combinations in the U.S. oil patch, where companies are seeking to bulk up to ride out weak demand and low prices, which have hovered around \$40 a barrel since June, below

the level many companies require to make money on new shale wells.

Devon Energy Corp. agreed last month to a \$2.6 billion merger with **WPX Energy** Inc., while **Chevron** Corp. agreed in July to buy **Noble Energy** Inc. for about \$5 billion. Both were all-stock deals.

“Scale has never been more important. Through this transaction, we’re joining Concho with a larger diversified energy company with even more size and resources to create value in today’s markets and beyond,” Concho CEO Tim Leach said Monday. He is set

to join the combined company as an executive vice president and board member.

It has been a brutal year for U.S. oil companies, which are suffering from prolonged weak demand for fossil fuels during the pandemic. The companies had already been facing investor flight after failing to generate consistent returns, even as they helped lift American oil production to world-leading totals.

As of Friday, the value of *Please turn to page B2*

◆ **Heard on the Street: Oil giant plays offense.**..... B10

Dow Falls 410 as Stimulus Remains Uncertain

By ALEXANDER OSIPOVICH AND MISCHA FRANKL-DUVAL

The Dow Jones Industrial Average fell more than 410 points Monday amid uncertainty that a stimulus package can be worked out by Election Day.

After the market closed, news broke that House Speaker Nancy Pelosi (D., Calif.) and Treasury Secretary Steven Mnuchin edged closer to ironing out some of the remaining policy differences holding up a sweeping coronavirus relief package, her spokesman said.

Over the weekend, Mrs. Pelosi indicated that the White House needed to reach a deal with Democrats by Tuesday evening to produce relief legislation that could pass before the election.

The Dow dropped 410.89 points, or 1.4%, to 28195.42. The blue-chip index had been up more than 105 points just after the opening bell.

The S&P 500 slid 56.89, or 1.6%, to 3426.92. The technology-heavy Nasdaq Composite declined 192.67, or 1.7%, to 11478.88 in its fifth consecutive losing session.

Investors have been monitoring the progress of talks between lawmakers and the White House over a stimulus deal. Further relief to households or businesses battered by the coronavirus pandemic could bolster an economic recovery as the effect of previous stimulus measures wears off.

If the deadline passes without a deal, talks would be increasingly unlikely to produce sweeping relief legislation worth trillions of dollars within the next two weeks, her aide suggested.

“President Trump would love to have a stimulus package before the election,” said Michael Mullaney, director of global markets research at Boston Partners. “But there’s no political upside for Pelosi to sign anything before the election.”

Markets are betting that a “blue wave” election, in which Democrats win control of both the White House and Congress, will eventually result in a large stimulus package, Mr. Mullaney said, though he added that such an election result could damp market returns in the long run due to higher taxes.

With Covid-19 continuing to affect the economy, further fiscal stimulus will be necessary, said Robert McArdie, chief cross-asset strategist at BNP Paribas.

“Without renewed fiscal stimulus you’ll see a new wave of unemployment, and a new *Please turn to page B9*

Variation Of ETF Burns Investors

By MICHAEL WURSTHORN AND MISCHA FRANKL-DUVAL

Jesper Lannung lost more than \$100,000 in August after getting trapped in a zombie investment product.

An exchange-traded note that he bet against the summer by **Credit Suisse Group** AG, relegating the note to the highly illiquid over-the-counter market. Mr. Lannung, a 38-year-old event planner in Milwaukee who layered a speculative trade on an already complex product, was forced to cover his short position after the note inexplicably surged in price.

The swing was so dramatic that regulators eventually halted trading. Credit Suisse then liquidated the note and brought its share price back to reality. Those actions, however, were too late to protect some investors including Mr. Lannung.

“This was absolutely frightening for our family,” he said, adding that the loss wiped out a significant chunk of the investment portfolio he managed for himself and his parents.

Analysts said those circumstances aren’t that unusual in the ETN market and could recur. A number of high-profile implosions have sapped investor demand for the products, spurring a wave of ETN closures by the banks that issue them.

ETNs are the more complex and riskier cousins of exchange-traded funds. Like ETFs, they track the price of a basket of stocks, bonds or commodities, but they don’t own the underlying assets they track. Instead, they are essentially debt issued by a bank that matures by a certain date, similar to a corporate bond.

Some use risky features, such as leverage, to magnify gains and losses. They can also seek to return the opposite, or inverse, of a particular asset. Both of those features were used in the product Mr. Lannung had been shorting.

The size of the ETN market has declined to \$8.3 billion, down more than 70% from its peak five years ago. Banks are abandoning the notes this year at the fastest pace ever, according to FactSet, closing 52 products so far and putting 2020 on track to eclipse the record 58 closures in 2018.

But some ETNs, like the Credit Suisse product, don’t die a quick death.

Banks can either liquidate a note by accelerating its maturation, or by delisting it, depending on how the product is structured.

Under the latter option, a bank can slowly starve ETNs of assets on the over-the-counter market, while also shutting off a crucial mechanism.

Please turn to page B2



Alibaba first bought a 36% stake in Sun Art for \$2.9 billion in 2017. The chain operates under the RT-Mart and Auchan brands.

Alibaba Targets Walmart in China By Investing \$3.6 Billion in Rival

By STELLA YIFAN XIE AND BEN OTTO

HONG KONG—Chinese e-commerce giant **Alibaba Group Holding** Ltd. said it would pay \$3.6 billion to take control of China’s largest big-box retailer and a major rival to **Walmart** Inc. in the world’s most populous nation.

Hangzhou-based Alibaba, China’s most valuable company with a market capitalization in excess of \$800 billion, said Monday it plans to double its stake in **Sun Art Retail Group** Ltd., which operates more than 480 large super-market-department stores in China.

The coronavirus pandemic, which kept many people confined to their homes for long periods, has accelerated a shift by consumers to online shopping. Like in the U.S., super-market sales in China have been one of the retail industry’s bright spots, thanks to consumers stocking up on food and other household es-

Market share of China’s top five hypermarket operators in 2019



Source: Euromonitor International

entials during government-mandated closures of many restaurants and eateries. The country’s supermarkets have seen rapid growth in online orders this year and are trying to capitalize on the change in consumer behavior.

Alibaba first bought a 36% stake in Sun Art for about \$2.9 billion back in 2017. The Hong Kong-listed company, which started off as a French-Taiwanese venture, operates stores in China under the RT-Mart and Auchan brands.

Following the latest deal,

Alibaba will own about 72% of the business, which had revenue of 95.4 billion yuan, equivalent to \$14.2 billion, in 2019. In the first half, Sun Art’s revenue grew by 5% to 53.2 billion yuan from a year earlier.

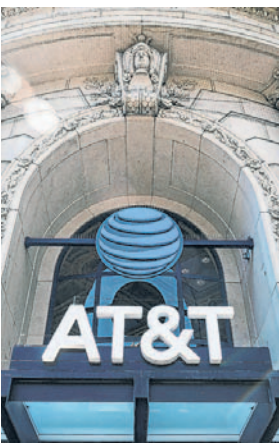
Sun Art isn’t a household name in China, but the big-box stores it operates sell everything from groceries to clothing and toys and had a 14% share of the country’s hypermarket sales last year, according to Euromonitor International.

Walmart, in comparison, had a 10% market share of the

category, which according to Euromonitor counts retail outlets with selling space in excess of 2,500 square meters, equivalent to 26,910 square feet. The American retailer in 2016 sold its Chinese e-commerce website to JD.com Inc., Alibaba’s main e-commerce rival. Walmart’s chief financial officer said in the company’s earnings call in August that recent sales in China were exceptionally strong.

Alibaba, which has a booming and fast-growing online *Please turn to page B2*

WSJ TECH



Stankey on tech giants’ power and other looks at the industry’s biggest stories. **B4**

Glitch Disrupts Major European Exchanges

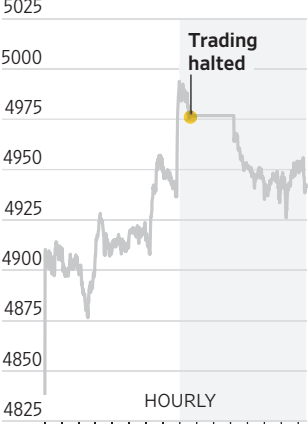
By JOE WALLACE

A technical problem halted trading on exchanges owned by **Euronext** NV, hitting activity at one of the busiest times of the year for European stock markets.

Monday’s glitch stopped trading in stocks, bonds, commodities and derivatives on exchanges in Paris, Amsterdam, Lisbon and elsewhere. Before a fresh problem struck later in the day, Euronext initially fixed the cause of the outage, and trading in most markets resumed by early Monday afternoon in Europe, a spokesman for the exchange operator said.

Later however, closing auctions didn’t take place as planned in many instruments, the operator told clients, prompting it to cancel trades that happened after 5:30 p.m. local time in Paris in all assets

CAC 40 Index



Source: FactSet

apart from commodities. The exchange spokesman couldn’t be reached for immediate comment on the newer issue.

Euronext owns some of Eu-

Amsterdam AEX Index



rope’s biggest stock exchanges and operates extensive commodity and derivative markets, too. Its footprint in European markets is growing. In the lat-

est in a string of deals designed to build scale and cut costs, a consortium led by Euronext this month agreed to buy Borsa Italiana Group from London Stock Exchange Group for around €4.33 billion, equivalent to about \$5.1 billion.

The deal was itself designed to allay antitrust concerns about the potential bond-trading dominance of the proposed \$15 billion tie-up between LSE and Refinitiv Holdings Ltd. Euronext has made a number of other acquisitions in recent years, including the purchase of the Irish Stock Exchange in 2018.

Consolidation among Europe’s exchanges has concentrated technical risks in a handful of operators, said Rosali Pretorius, a partner in the financial-services regulation practice at law firm Simmons & *Please turn to page B9*

“There’s nothing tethering the price of these securities to their net asset value,” said Ms. Kashner, adding that the situation “absolutely could” play out again.

AT&T Chief Criticizes Tech Giants

Companies like Apple, Amazon seen holding outsize power over content on platforms

By Drew FitzGerald

HBO Max is attracting more viewers but is up against big tech companies with outsize market power, the chief of the streaming video service's parent said on Monday.

AT&T Inc. Chief Executive John Stankey said the coronavirus pandemic showed that internet providers no longer act as gatekeepers for online content, with most cable and fiber networks performing well under the crush of so many Americans working and studying remotely this year.

But the CEO said tech giants like Amazon.com Inc. and Apple Inc. should be scrutinized for their power to restrict the kinds of apps and services allowed on their platforms.

"Where the bottlenecks are sometimes occurring are in these commercial agreements," Mr. Stankey said during The Wall Street Journal's annual Tech Live event Monday, which the pandemic forced online this year. "We should ask ourselves, is that friction somebody really feeling their oats and maybe hav-



HBO Max, with offerings such as 'Big Little Lies,' has been shut out by the Amazon and Roku app stores.



John Stankey spoke remotely at The Wall Street Journal's Tech Live event.

ing market power above and beyond what's reasonable for innovation?"

HBO Max has been hemmed in for the past few months by disagreements with Amazon and Roku Inc., which so far have refused to open their app stores to the new streaming

service.

AT&T is working to grow the premium channel's subscriber base while convincing existing viewers to switch to the Max app, which offers more to watch and provides AT&T with better profits than the slimmer HBO lineup offered through cable partners like Comcast Corp.

HBO Max joined a crowded arena of new video apps from Amazon, Apple and Walt Disney Co. vying for viewers' attention when it launched in late May. It is a supersize version of the premium cable

channel AT&T acquired through its 2018 purchase of Time Warner, and mixes licensed series like "Friends" and "The Big Bang Theory" with HBO's library of original TV series.

About 4.1 million customers had activated HBO Max at the end of June, a sliver of the roughly 36 million subscribers paying for any form of HBO.

Asked Monday about how the streaming service has performed, Mr. Stankey said the app was "well beyond our objective of having over an hour of engagement," adding that

"we still have work to do to get the scaling done."

The pandemic has altered more than just AT&T's bid for binge watchers. It has also hammered revenue from advertising and theatrical releases.

Mr. Stankey said that has given the media unit an opportunity to hasten some long-planned overhauls, including the integration of the fenced-in HBO, Turner and Warner Bros. units it inherited in the acquisition.

"We wanted that company to truly operate as one," Mr. Stankey said.

The AT&T chief declined to detail the status of various divestitures the company is weighing but said such activity is something any good management team should consider.

The Journal reported earlier this year that the company was exploring the sale of its DirecTV satellite business as well as some advertising assets that once made up its Xandr unit.

"In terms of us acquiring something, that's not what our focus is right now," he said.

WSJ TECH
For more on The Wall Street Journal's virtual conference, visit techlive.wsj.com

WeWork Founder's Pact Called Defunct

By Rolfe Winkler

A \$185 million consulting agreement is still in force," Executive Chairman Marcelo Claure said of the agreement, speaking at The Wall Street Journal's Tech Live conference Monday. "I think Adam may have violated some of the parts of the consulting agreement, so that's no longer in effect."

Mr. Claure, who is also a top executive at SoftBank, declined to elaborate on how Mr. Neumann might have violated the agreement, saying it was part of continuing litigation. Mr. Neumann left under a cloud following the office-space operator's botched attempt at an initial public offering last fall.

As part of the former startup chief's exit package, SoftBank agreed to buy about \$1 billion of stock from Mr. Neumann, refinance a \$500 million debt, and pay him \$185 million to consult. WeWork employees and others criticized the payments as a sweetheart deal for the co-founder.

A spokesman for Mr. Neumann didn't respond to a request for comment. It couldn't be learned how much, if any, of the \$185 million has already been paid.

Mr. Neumann sued SoftBank in the spring after the company failed to follow through on its commitment to buy nearly \$1 billion in stock it had agreed on.

"We probably were a little too aggressive with WeWork," added Mr. Claure, when asked whether SoftBank had drawn any lessons. "We probably allowed the entrepreneur to work too freely without having the right SoftBank involvement."

Zoom Mulls Ways to Draw More Paying Users

By Aaron Tilley

Zoom Video Communications Inc. plans to capitalize more broadly on its massive surge in popularity but is still assessing how best to target smaller consumers, Chief Operating Officer Aparna Bawa said Monday.

"We still are watching and waiting to see what the economics look like. We want to make sure that the customer base that we're serving finds it helpful, it's priced at the right point, it's beneficial to all," Ms.

Bawa said at the WSJ Tech Live conference.

Before the pandemic, Zoom was largely focused on servicing large enterprise customers. Almost overnight, the app became a daily tool for individuals and businesses of all sizes to make it through the pandemic.

The company last week unveiled its OnZoom service to help such people and businesses better charge for events, such as piano lessons taking place on its platform. OnZoom is available only to paying customers for now, not those using

the free service, but Zoom is looking for other ways to potentially get a cut of the businesses transacted on its service.

"We're not quite sure how that's going to work," Ms. Bawa said, with decisions likely next year.

During the pandemic, Zoom use grew to more than 300 million daily meeting participants from 10 million late last year.

Catering to the millions of people who now use Zoom free to stay in touch with work, family and friends has come with a cost, she said, but it is

one the company views as an investment in growth. "For us, it's a long game," Ms. Bawa said. "The more and more we can build our user base and establish trust with folks like you, the more sort of legs we have as a company."

Even without getting the users of its free service to pay, the pandemic has supercharged Zoom's earnings as companies embraced the service to connect with employees and clients. In August, Zoom raised its full-year outlook for the second time during the pandemic. The

company's stock has surged more than 700% this year.

The increased attention also highlighted shortcomings. Zoom, early in the pandemic, struggled to deal with "Zoom-bombing"—where people gain unauthorized access to a meeting and share hate-speech or pornographic images. Zoom responded by adjusting default settings for users, but Zoom-bombings still happen.

Ms. Bawa said a mistake the company made at the time was not doing more to educate users on how to use the platform.

The Wall Street Journal CMO Network Summit

November 10, 2020, 10:00 a.m–1:40 p.m. ET | Online Event

FEATURED SPEAKERS

Jeff Charney
CMO
Progressive Corp.

Ann Mukherjee
Chairman and CEO, North America
Pernod Ricard

Monique Nelson
CEO
Uniwold Group

Mark Penn
Chairman and CEO
MDC Partners;
former adviser to Bill and Hillary Clinton

OVERVIEW

The CMO Network will gather as the shockwaves from Covid-19 continue to reshape marketing, purchasing habits and the global economy. CMOs face an unprecedented set of challenges, which have been exacerbated by the global health crisis. Disruption from technology is accelerating, the need for growth is paramount and the call to drive greater workforce diversity grows louder. Join us for honest and candid conversations with thought leaders, as we dig into the strategy needed to navigate today's complex business environment. We will host sessions on a wide range of topics such as how the role of the CMO is evolving, finding growth during an economic slump and managing your career during an ongoing pandemic.

Membership is by invitation: CMONetwork@wsj.com. Learn more at CMONetwork.wsj.com/inquire

Presenting Sponsor **Deloitte.**

WSJ | CMO Network

CYBER SECURITY HAS FAILED,

IT'S TIME FOR A REAL DEFENSE.

ALERTS AREN'T A DEFENSE.
PROTECT YOUR NETWORK
WITH REAL-TIME AI BLOCKING.
INTRUSION.COM/SHIELD

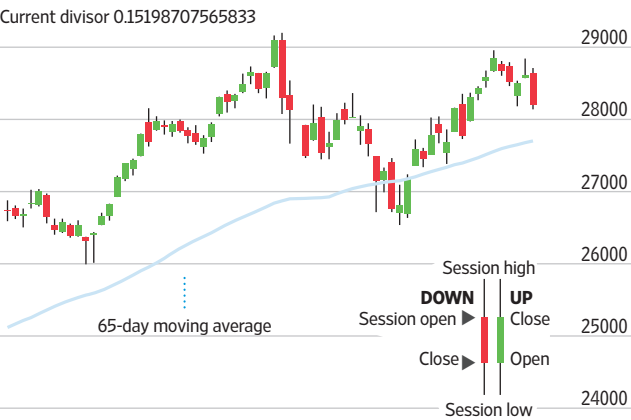


MARKETS DIGEST

EQUITIES

Dow Jones Industrial Average

28195.42 ▼410.89, or 1.44%	Last	Year ago
High, low, open and close for each trading day of the past three months.	Trailing P/E ratio	26.78 19.35
	P/E estimate *	24.32 17.89
	Dividend yield	2.18 2.32
	All-time high	29551.42, 02/12/20

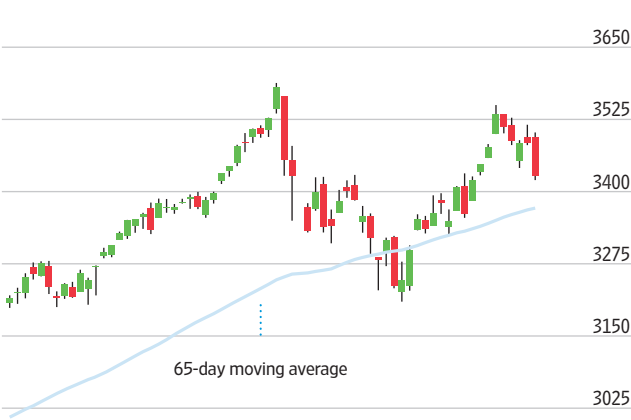


Bars measure the point change from session's open

*Weekly P/E data based on as-reported earnings from Biriinyi Associates Inc.; †Based on Nasdaq-100 Index

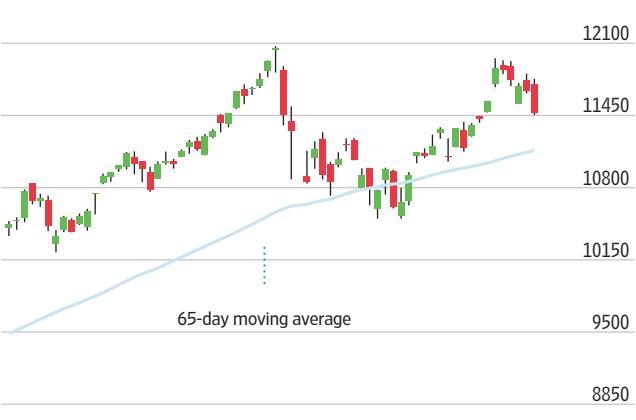
S&P 500 Index

3426.92 ▼56.89, or 1.63%	Last	Year ago
High, low, open and close for each trading day of the past three months.	Trailing P/E ratio *	38.21 23.50
	P/E estimate *	25.90 18.15
	Dividend yield *	1.72 1.93
	All-time high	3580.84, 09/02/20



Nasdaq Composite Index

11478.88 ▼192.67, or 1.65%	Last	Year ago
High, low, open and close for each trading day of the past three months.	Trailing P/E ratio **	36.72 24.05
	P/E estimate **	32.15 21.75
	Dividend yield **	0.74 1.03
	All-time high	12056.44, 09/02/20



Major U.S. Stock-Market Indexes

	High	Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	% chg YTD	3-yr. ann.
Dow Jones									
Industrial Average	28711.93	28139.40	28195.42	-410.89	-1.44	29551.42	18591.93	-1.2	6.8
Transportation Avg	12000.19	11680.99	11708.09	-128.34	-1.08	11988.83	6703.63	7.4	5.8
Utility Average	889.53	875.12	877.60	-6.92	-0.78	960.89	610.89	-0.2	5.5
Total Stock Market	35964.34	35146.39	35212.38	-547.20	-1.53	36434.12	22462.76	6.6	9.9
Barron's 400	768.30	751.14	752.20	-10.07	-1.32	767.01	455.11	2.7	3.1

Nasdaq Stock Market									
Nasdaq Composite	11778.11	11454.57	11478.88	-192.67	-1.65	12056.44	6860.67	27.9	20.2
Nasdaq 100	11962.47	11606.48	11634.35	-217.82	-1.84	12420.54	6994.29	33.2	24.1

S&P									
500 Index	3502.42	3419.93	3426.92	-56.89	-1.63	3580.84	2237.40	6.1	10.2
MidCap 400	2013.87	1970.88	1973.81	-23.53	-1.18	2106.12	1218.55	-4.3	2.7
SmallCap 600	931.80	912.02	913.09	-10.62	-1.15	1041.03	595.67	-4.8	0.2

Other Indexes									
Russell 2000	1647.05	1612.22	1613.63	-20.18	-1.24	1705.22	991.16	-3.3	2.4
NYSE Composite	13247.75	12999.41	13018.51	-150.81	-1.15	14183.20	8777.38	-0.5	1.7
Value Line	491.51	482.09	482.53	-5.25	-1.08	562.05	305.71	-7.5	-3.9
NYSE Arca Biotech	5513.06	5375.65	5395.25	-85.72	-1.56	6142.96	3855.67	6.5	8.3
NYSE Arca Pharma	662.51	647.59	648.70	-8.74	-1.33	675.64	494.36	-0.8	5.0
KBW Bank	78.51	76.92	77.00	-1.07	-1.37	114.12	56.19	-25.1	-8.2
PHLX ^S Gold/Silver	149.22	144.31	144.36	-2.73	-1.85	161.14	70.12	62.6	35.0
PHLX ^S Oil Service	29.21	28.11	28.23	0.04		80.99	21.47	-56.6	-63.9
PHLX ^S Semiconductor	2432.89	2379.26	2385.85	-13.91	-0.58	2433.48	1286.84	47.3	29.0
Cboe Volatility	29.69	27.04	29.18	1.77		82.69	11.54	108.4	111.8

^SNasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6:30 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of \$2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
SPDR S&P 500	SPY	8,125.8	343.91	1.90	0.56	344.08	341.82
Hertz Global Holdings	HTZ	6,257.6	2.20	0.03	1.38	2.34	2.15
Sabra Healthcare REIT	SBRA	5,504.0	13.89	0.19	1.39	13.89	13.70
General Electric	GE	5,399.8	7.31	0.02	0.27	7.33	7.24
Vanguard Real Estate ETF	VNQ	4,770.0	79.70	0.14	0.18	79.70	79.32
Aptinyx	APTIX	3,262.7	6.98	3.32	90.71	7.38	3.66
Wells Fargo	WFC	2,886.5	22.60	0.06	0.27	22.60	22.52
Ford Motor	F	2,769.2	7.60	0.01	0.07	7.61	7.58

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
Aptinyx	APTIX	3,262.7	6.98	3.32	90.71	7.38	3.66
Emcore	EMKR	282.4	3.99	0.68	20.54	4.85	3.48
Allscripts Healthcare	MDRX	627.5	10.98	0.46	4.37	10.98	10.51
Comerica	CMA	56.1	43.00	1.78	4.32	43.00	40.21
Nokia ADR	NOK	1,385.6	4.34	0.16	3.83	4.48	4.15

...And losers

Company	Symbol	Volume (000)	Last	Net chg	After Hours % chg	High	Low
BELLUS Health	BLU	351.4	2.22	-0.10	-4.31	2.35	2.02
IBM	IBM	1,283.8	121.88	-3.64	-2.90	126.99	121.63
Velodyne Lidar	VLDR	59.6	14.98	-0.36	-2.35	15.49	14.85
Expeditors Intl of Wash	EXPD	58.3	90.59	-1.97	-2.13	92.56	90.59
ProSh UltraPro Shrt QQQ	SQQQ	1,035.8	21.40	-0.45	-2.06	21.85	21.37

International Stock Indexes

Region/Country	Index	Close	Net chg	Latest % chg	YTD % chg
World	The Global Dow	3034.01	-10.77	-0.35	-6.7
	DJ Global Index	441.59	-3.31	-0.74	1.7
	DJ Global ex U.S.	252.76	0.70	0.28	-4.1

Americas	DJ Americas	800.72	-12.13	-1.49	5.2
Brazil	Sao Paulo Bovespa	98657.65	348.53	0.35	-14.7
Canada	S&P/TSX Comp	16274.07	-164.68	-1.00	-4.6
Mexico	S&P/BMV IPC	37685.74	-190.75	-0.50	-13.4
Chile	Santiago IPSA	2502.43	-6.05	-0.24	-25.0

EMEA	Stoxx Europe 600	366.81	-0.67	-0.18	-11.8
Eurozone	Euro Stoxx	361.67	-0.27	-0.07	-10.5
Belgium	Bel-20	3262.30	-2.30	-0.07	-17.5
Denmark	OMX Copenhagen 20	1410.26	-7.63	-0.54	24.2
France	CAC 40	4929.27	-6.59	-0.13	-17.5
Germany	DAX	12854.66	-54.33	-0.42	-3.0
Israel	Tel Aviv	1363.61	-1.59	-0.12	-19.0
Italy	FTSE MIB	19374.21	-15.46	-0.08	-17.6
Netherlands	AEX	565.25	-2.93	-0.52	-6.5
Russia	RTS Index	1135.12	2.32	0.20	-26.7
South Africa	FTSE/JSE All-Share	55161.03	113.77	0.21	-3.4
Spain	IBEX 35	8660.20	10.53	0.15	-28.2
Sweden	OMX Stockholm	736.83	1.74	0.24	8.2
Switzerland	Swiss Market	10184.36	-22.77	-0.22	-4.1
Turkey	BIST 100	1205.37	12.64	1.06	5.3
U.K.	FTSE 100	5884.65	-34.93	-0.59	-22.0
U.K.	FTSE 250	17866.08	43.17	0.24	-18.4

Asia-Pacific	S&P/ASX 200	6229.40	52.61	0.85	-6.8
China	Shanghai Composite	3312.67	-23.69	-0.71	8.6
Hong Kong	Hang Seng	24542.26	155.47	0.64	-12.9
India	S&P BSE Sensex	40431.60	448.62	1.12	-2.0
Japan	Nikkei Stock Avg	23671.13	260.50	1.11	0.1
Singapore	Straits Times	2543.57	10.55	0.42	-21.1
South Korea	Kospi	2346.74	5.21	0.22	6.8
Taiwan	TAIEX	12908.34	157.97	1.24	7.6
Thailand	SET	1208.75	-24.93	-2.02	-23.5

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Close	Net chg	% chg	High	52-Week Low	% chg
Kaixin Auto Holdings	KXIN	8.15	6.08	293.72	13.40	0.40	388.0
BioSpecifics Technologies	BSTC	88.69	27.67	45.35	88.69	42.00	86.8
Greenland Technologies	GTEC	3.54	1.04	41.60	10.39	1.12	-65.8
Front Yard Residential	RESI	13.44	3.48	34.94	13.69	6.01	12.2
Natuzzi ADR	NTZ	5.66	1.45	34.44	5.80	0.37	241.0
Renren ADR	RENN	5.75	1.27	28.35	6.23	0.45	166.2
Ocean Bio-Chem	OBCI	16.44	2.80	20.53	22.55	3.10	377.7
Altisource Asset Mgmt	AAMC	23.87	3.95	19.83	32.24	10.20	54.0
Liquidia Technologies	LQDA	3.41	0.55	19.23	12.10	2.65	-24.9
Aemetis	AMTX	4.50	0.71	18.73	4.87	0.37	350.0
Nuverra Envtl Solutions	NES	2.92	0.46	18.70	6.45	0.94	-14.1
MoneyGram International	MGI	4.83	0.74	18.09	5.25	1.15	6.6
Midatech Pharma ADR	MTP	2.36	0.36	18.00	7.20	0.86	-65.8
Aurora Cannabis	ACB	4.71	0.69	17.16	47.28	3.93	-89.4
Tilray	TILRY	6.48	0.92	16.55	25.69	2.43	-71.1

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session % chg	52-Week High	52-Week Low
Hertz Global Holdings	HTZ	396,654	1433.0	2.17	-13.20	20.85 0.40
Kaixin Auto Holdings	KXIN	234,691	11469.4	8.15	293.72	13.40 0.40
General Electric	GE	130,606	37.1	7.29	0.00	13.26 5.48
Apple	AAPL	119,777	-30.8	115.98	-2.55	137.98 53.15
NIO ADR	NIO	114,913	3.2	27.63	-2.98	29.40 1.36
BOQI Intl Medical	BIMI	91,402	33634.6	2.68	38.14	8.20 1.50
ProSh UltraPro Shrt QQQ	SQQQ	72,015	28.2	21.85	4.85	162.15 18.95
SPDR S&P 500	SPY	67,630	0.3	342.01	-1.52	358.75 218.26
Senmiao Technology	AIHS	53,594	1116.0	1.41	79.16	2.35 0.26
AT&T	T	52,025	55.6	26.88	-1.65	39.70 26.08

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Track the Markets

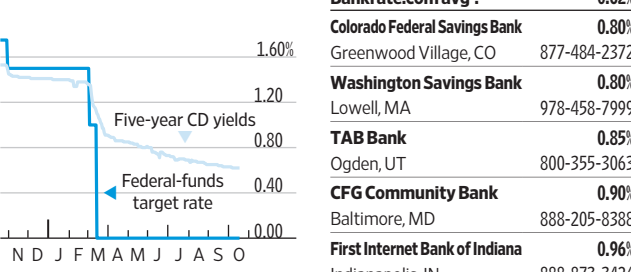
Compare the performance of selected global stock indexes, bond ETFs, currencies and commodities at [wsj.com/graphics/track-the-markets](https://www.wsj.com/graphics/track-the-markets)

CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Interest rate	Yield/Rate (%) Last (●) Week ago	52-Week Range (%) Low 0 2 4 6 8 High	3-yr chg (pct pts)
Federal-funds rate target	0.00-0.25 0.00-0.25	0.00 ● 0.25	1.75 -1.00
Prime rate*	3.25 3.25	3.25 ●	5.00 -1.00
Libor, 3-month	0.21 0.23	0.21 ● 0.23	1.96 -1.15
Money market, annual yield	0.22 0.22	0.22 ●	0.73 -0.10
Five-year CD, annual yield	0.62 0.62	0.62 ●	1.53 -0.84
30-year mortgage, fixed†	3.05 3.03	2.93 ● 3.05	4.22 -0.81
15-year mortgage, fixed†	2.55 2.53	2.48 ● 2.55	3.57 -0.62
Jumbo mortgages, \$510,400-plus†	3.11 3.12	2.93 ● 3.11	4.42 -1.27
Five-year adj mortgage (ARM)†	3.23 3.25	2.85 ● 3.23	4.61 -0.17
New-car loan, 48-month	4.14 4.14	4.14 ●	4.56 1.08

Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.

Futures Contracts

Metal & Petroleum Futures						
	Open	Contract High hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX) -25,000 lbs.; \$ per lb.						
Oct	3.0975	3.0975	3.0820	3.0810	0.0160	929
Dec	3.0605	3.1080	3.0570	3.0860	0.0185	139,884
Gold (COMEX) -100 troy oz.; \$ per troy oz.						
Oct	1907.30	1907.80	1904.30	1906.40	5.60	1,177
Dec	1903.20	1923.40	1900.20	1911.70	5.30	448,728
Feb'21	1912.70	1930.80	1908.50	1919.30	5.30	49,123
April	1918.30	1936.40	1915.80	1925.00	4.90	23,804
June	1920.00	1941.20	1920.00	1929.90	4.80	16,650
Dec	1930.20	1947.50	1929.80	1938.20	4.80	7,842
Palladium (NYM) -50 troy oz.; \$ per troy oz.						
Oct	...	...	...	2348.30	15.20	...
Dec	2347.80	2367.00	2342.70	2357.50	15.20	9,504
March'21	2361.10	2373.40	2354.70	2365.70	14.70	378
Platinum (NYM) -50 troy oz.; \$ per troy oz.						
Oct	863.10	873.80	850.00	858.60	-5.70	144
Jan'21	867.70	880.90	852.80	863.50	-5.80	50,087
Silver (CMX) -5,000 troy oz.; \$ per troy oz.						
Oct	24.755	24.815	24.755	24.657	0.288	241
Dec	24.290	25.120	24.215	24.698	0.293	127,383
Crude Oil, Light Sweet (NYM) -1,000 bbls.; \$ per bbl.						
Nov	40.69	41.22	40.54	40.83	-0.05	55,666
Dec	40.92	41.46	40.77	41.06	-0.06	420,294
Jan'21	41.21	41.73	41.06	41.34	-0.08	225,988
March	41.84	42.25	41.64	41.90	-0.05	147,533
June	42.42	42.82	42.24	42.50	-0.01	207,930
Dec	43.07	43.32	42.77	43.01	0.02	225,011
NY Harbor ULSD (NYM) -42,000 gal.; \$ per gal.						
Nov	1.1766	1.1833	1.1508	1.1581	-0.210	64,002
Dec	1.1798	1.1889	1.1597	1.1665	-0.183	102,451
Gasoline-1Y RB08 (NYM) -42,000 gal.; \$ per gal.						
Nov	1.1650	1.1758	1.1554	1.1623	-0.065	57,780
Dec	1.1483	1.1600	1.1415	1.1485	-0.050	113,914
Natural Gas (NYM) -10,000 MMBtu.; \$ per MMBtu.						
Nov	2.641	2.890	2.638	2.795	.022	86,751
Dec	3.205	3.311	3.205	3.280	.009	169,140
Jan'21	3.359	3.437	3.348	3.414	.009	203,358
March	3.209	3.274	3.200	3.256	.007	135,445
April	2.928	2.976 ▲	2.915	2.960	.012	85,715
Oct	2.984	3.030 ▲	2.984	3.015	.014	89,345
Agriculture Futures						
Corn (CBT) -5,000 bu.; cents per bu.						
Dec	401.75	406.75	400.75	405.25	3.25	744,620
March'21	406.50	411.25	405.50	410.50	3.50	326,007
Oats (CBT) -5,000 bu.; cents per bu.						
Dec	294.00	298.00 ▲	294.00	297.50	3.00	4,545
March'21	297.25	300.00 ▲	294.50	299.00	3.00	726
Soybeans (CBT) -5,000 bu.; cents per bu.						
Nov	1051.25	1058.25	1047.75	1054.25	4.25	227,644
Jan'21	1051.00	1058.75	1048.25	1054.00	3.75	312,558
Soybean Meal (CBT) -100 tons; \$ per ton.						
Dec	370.50	375.50 ▲	368.70	373.20	5.70	152,996
Jan'21	363.90	368.80	362.30	367.20	5.10	80,756
Soybean Oil (CBT) -60,000 lbs.; cents per lb.						
Dec	33.04	33.12	32.28	32.53	-46	153,842
Jan'21	33.03	33.10	32.30	32.53	-45	87,944
Rough Rice (CBT) -2,000 cwt.; \$ per cwt.						
Nov	12.37	12.48	12.36	12.45	.07	6,176
Jan'21	12.62	12.67	12.58	12.65	.08	3,603
Wheat (CBT) -5,000 bu.; cents per bu.						
Dec	631.00	636.75 ▲	620.25	627.00	1.75	216,156
March'21	628.00	633.00 ▲	619.00	626.00	2.50	74,148
Wheat (KC) -5,000 bu.; cents per bu.						
Dec	565.50	568.75 ▲	555.25	563.00	4.25	111,347
March'21	571.75	576.00 ▲	563.00	570.00	3.75	64,204
Cattle-Feeder (CME) -50,000 lbs.; cents per lb.						
Oct	137.950	137.975	134.100	134.600	-3.500	1,868
Jan'21	129.650	129.750	124.375	125.225	-4.100	21,052

	Open	Contract High hilo	Low	Settle	Chg	Open interest
Cattle-Live (CME) -40,000 lbs.; cents per lb.						
Oct	107.050	107.350	103.800	104.000	-3.150	5,054
Dec	108.550	108.750	104.700	105.150	-3.475	106,919
Hogs-Lean (CME) -40,000 lbs.; cents per lb.						
Dec	69.725	72.800 ▲	69.325	71.425	1.625	91,029
April'21	73.600	73.625	71.650	72.325	-1.325	46,499
Lumber (CME) -110,000 bd. ft., \$ per 1,000 bd. ft.						
Nov	536.00	552.90	534.00	550.70	16.70	1,680
Jan'21	465.00	482.30	464.60	482.30	19.00	1,087
Milk (CME) -200,000 lbs., cents per lb.						
Oct	21.36	21.43 ▲	21.34	21.42	.04	4,716
Nov	21.00	21.67 ▲	20.96	21.65	.73	5,183
Cocoa (ICE-US) -10 metric tons; \$ per ton.						
Dec	2,373	2,437	2,372	2,425	64	71,880
March'21	2,366	2,428	2,366	2,420	61	70,247
Coffee (ICE-US) -37,500 lbs.; cents per lb.						
Dec	106.55	108.65	105.60	106.05	-1.20	90,836
March'21	109.15	111.40	108.50	108.95	-1.05	72,239
Sugar-World (ICE-US) -112,000 lbs.; cents per lb.						
March	14.47	14.75	14.36	14.72	.29	444,967
May	13.83	14.03	13.73	14.01	.21	158,123
Sugar-Domestic (ICE-US) -112,000 lbs.; cents per lb.						
Jan	27.55	27.75 ▲	27.36	27.75	.39	1,828
March	27.56	27.75 ▲	27.56	27.70	.17	2,773
Cotton (ICE-US) -50,000 lbs.; cents per lb.						
Dec	70.00	71.22	70.00	71.16	1.24	126,117
March'21	70.85	71.92	70.78	71.83	1.27	65,350
Orange Juice (ICE-US) -15,000 lbs.; cents per lb.						
Nov	114.70	117.20	114.60	116.85	1.75	3,306
Jan'21	114.25	116.40	114.05	116.00	1.50	6,478

Interest Rate Futures						
Ultra Treasury Bonds (CBT) - \$100,000; pts 32nds of 100%						
Dec	218-220	218-260	217-020	218-080	-22.0	982,726
March'21	218-250	217-070	215-160	216-170	-22.0	4
Treasury Bonds (CBT) -100,000; pts 32nds of 100%						
Dec	174-240	174-270	173-300	174-160	-13.0	1,202,622
March'21	176-080	176-100	175-120	175-280	-15.0	7,083
Treasury Notes (CBT) -100,000; pts 32nds of 100%						
Dec	139-010	139-015	138-240	138-295	-4.5	3,239,854
March'21	138-175	138-230	138-140	138-185	-4.5	3,919
5 Yr. Treasury Notes (CBT) -100,000; pts 32nds of 100%						
Dec	125-257	125-260	125-222	125-242	-2.0	3,120,746
March'21	126-020	126-060	126-017	126-035	-2.5	925
2 Yr. Treasury Notes (CBT) -200,000; pts 32nds of 100%						
Dec	110-136	110-137	110-131	110-136	-1	1,958,541
30 Day Federal Funds (CBT) -55,000,000; 100 - daily avg.						
Oct	99.9100	99.9125	99.9100	99.9100	.0000	217,332
Jan'21	99.9250	99.9300	99.9250	99.9250	.0000	176,471
10 Yr. Del. Int. Rate Swaps (CBT) -100,000; pts 32nds of 100%						
Dec	101-240	101-260	101-205	101-240	-8.5	131,268
Eurodollar (CME) -1,000,000; pts of 100%						
Oct	99.7775	99.7800	99.7775	99.7914	.0139	244,598
Dec	99.7600	99.7650	99.7550	99.7650	.0050	988,559
March'21	99.7900	99.7950	99.7900	99.7950	...	1,035,341
June	99.8000	99.8050	99.7950	99.8050	...	865,420

Currency Futures						
Japanese Yen (CME) -¥125,000,000; \$ per 100¥						
Oct	.9480	.9496	.9479	.9486	-0.0002	390
Dec	.9485	.9503	.9483	.9490	-0.0004	168,737
Canadian Dollar (CME) -CAD 100,000; \$ per CAD						
Oct	.7593	.7604	.7580	.7586	.0001	168
Dec	.7582	.7605	.7581	.7587	...	116,769
British Pound (CME) -£62,500; \$ per £						
Oct	1.2928	1.3023	1.2912	1.2995	.0063	304
Dec	1.2905	1.3028	1.2901	1.2948	.0013	143,899
Swiss Franc (CME) -CHF 125,000; \$ per CHF						
Dec	1.0947	1.1018	1.0927	1.1005	.0061	48,452
March'21	1.0974	1.1043	1.0959	1.1036	.0061	135
Australian Dollar (CME) -AUD 100,000; \$ per AUD						
Oct	.7101	.7114	.7077	.7094	.0009	261
Dec	.7080	.7116	.7059	.7065	-0.0022	134,836

		Monday, October 19, 2020	
al or "physical" commodities in the marketplace—			
lects what the commodity might be worth in future			
	Monday		Monday
etric ton	*1865.5	Wheat - Hard - KC (USDA) \$ per bu-u	5.7300
	3,0810	Wheat, No.1 soft white, Portl,OR-u	5.9250
a-s	119.4		
rest-s,m	281		
vest Mill-s	653		
Textiles			
rd-n,w	0.6175	Beef,carcass equiv. index	179.41
phs-u	0.6741	choice 1-3,600-900 lbs-u	163.40
	*74.65	select 1-3,600-900 lbs-u	0.6377
eece fob-u	36,000	Broilers, National comp wtd. avg.-u,w	1.4975
u,w	n.a.	Butter, AA Chicago	225.50
		Cheddar cheese,bbl,Chicago	274.00
		Cheddar cheese,bbl,Chicago	114.00
		Milk,Nonfat dry,Chicago,lb	1.0043
		Coffee,Brazilian,Comp	1.5468
		Coffee,Colombian,NY	1.0450
l Feeds		Eggs,large white,Chicago-u	15.85
	n.a.	Flour,hard winter KC	0.65
u	128	Hams,17-20 lbs,Mid-U.S fob-u	76.21
bp,u	3,8150	Hogs,Iowa-S. Minnesota-u	1.7965
u,w	123.4	Pork bellies,12-14 lb MidU-S-u	1.0739
t-u,w	429.0	Pork loins,13-19 lb MidU-S-u	108.00
	295	Steers,Tex.-Okla. Choice-u	142.50
	98	Steers,feeder,Okla. City-u,w	
Mnpls-u,w	22		
	3,1300		
2 AR-u,w	28.50		
	0.6255	Fats and Oils	
con48%-u	372.20	Corn oil,crude wet/dry mill wtd. avg.-u,w	42.0000
	10.3300	Grease,choice white,Chicago-h	0.2950
pls-u	6.8925	Lard,Chicago-u	n.a.
uis-u	6.3700	Soybean oil,crude,Cent'l Il-u	0.3316
		Tallow,bleach,Chicago-h	0.3200
		Tallow,edible,Chicago-u	0.3600

MARKETS

Euro Optimism Wanes as Virus Cases Rise

Speculative positions betting on rise against the dollar are at a two-month low

By CAITLIN OSTROFF

Investor confidence that the euro will continue to strengthen against the dollar is waning as Europe combats rising Covid-19 cases.

Net speculative positions by hedge funds that the euro will rise against the dollar are at a two-month low, according to data from the Commodity Futures Trading Commission. In recent weeks, new Covid-19 cases have climbed in Europe, overtaking the U.S. This has led govern-

ments to implement stricter containment measures that are likely to weigh on economic activity.

The number of net speculative contracts betting on the euro's rise against the dollar was about 10,300 as of Oct. 13, according to data on Friday from the CFTC. While the consensus is still for the euro to rise, the level of positioning toward that has fallen from August highs of a net 37,000 contracts.

Over the summer, investors began betting the euro would strengthen against the dollar after the European Union passed a recovery fund to provide grants and loans to member nations and new Covid-19 cases fell.

But an uptick in cases and new restrictions could heighten investor concerns

that the €750 billion, equivalent to \$878.81 billion, recovery fund won't be enough should the rise in cases curtail the resumption of economic activity. Funds won't be distributed until next year and could be delayed.

Fresh lockdown measures could also cause eurozone gross domestic product to slow. Florian Hense, an economist at Berenberg, revised his fourth-quarter growth forecast to 1% from 2.5% due to the rising level of Covid-19 cases and restrictions.

The U.K. has introduced a three-tiered system of lockdown measures for England and moved London to the second-highest alert tier on Saturday. France has declared a state of emergency and set a nightly curfew for the Paris region and eight other metro-

politan areas across the country. Last week, the Czech Republic shut schools, restaurants and bars through early November.

The rise in cases has also weighed on central and Eastern European currencies, with the Hungarian forint falling 2.2% against the euro last week, its worst week since June. The Polish zloty declined 1.7% and the Czech koruna fell 0.9%.

"We had this feeling that Europe managed the first coronavirus wave quite well and that led to a rally. To me now, it does appear the market is souring on that view," said Jane Foley, head of foreign-exchange strategy at Rabobank.

Pushing against a much weaker euro versus the dollar have been developments in the U.S. Investors increasingly

point to polls that predict Democratic nominee Joe Biden will win the presidency. A Biden win, and Democratic control of Congress, could usher in larger fiscal stimulus and more predictable foreign policy, both factors which could cause the dollar to weaken against other currencies.

On Monday, the WSJ Dollar Index, which measures the greenback against a basket of currencies, fell 0.2%. The yield on 10-year Treasury notes ticked up to 0.760% from 0.743% Friday.

"That's kept a glass-half-full view of risk assets and that's one of the reasons that euro-dollar hasn't fallen more," said Chris Turner, head of foreign-exchange strategy at ING Bank. "It's potentially a positive path for the U.S. and the global economy, and the euro

is clinging on to that."

But if rising Covid-19 cases lead to more hospitalizations and stricter measures, the euro could come under further pressure as economic forecasts recede.

"There's a lot of these issues bubbling under the surface and the euro's beginning to reflect that," Ms. Foley said.

AUCTION RESULTS

Here are the results of Monday's Treasury auctions. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

	13-Week	26-Week
Applications	\$169,136,704,000	\$161,820,645,200
Accepted bids	\$60,910,114,000	\$57,526,924,400
Noncomp	\$705,189,600	\$499,076,900
Foreign noncomp	\$500,000,000	\$416,000,000
Auction price (rate)	99.974722	99.941861
	(0.1001%)	(0.1155%)
Bids at clearing yield accepted	25,775	72,732
	912796379	912796201

Both issues are dated Oct. 22, 2020. The 13-week bills mature on Jan. 21, 2021; the 26-week bills mature on April 22, 2021.

Dow Falls Over 410 Points

Continued from page B1
wave of delinquencies and defaults, and that will certainly weigh on growth," he said.

An advance in major U.S. stock indexes has stalled in recent days, leaving the S&P 500 less than 4.5% below the record it reached in early September.

Last week, stocks eked out muted gains as investors reckoned with persistently high Covid-19 cases and political uncertainty.

Investors are also keeping a close eye on corporate earnings. Netflix, Tesla and AT&T are among the major companies reporting financial results in the coming days.

"It's going to be all about the guidance, and the guidance has largely been better than expected, certainly in the U.S.," said Andrew Cole, head of multiasset in London at Pictet Asset Management. "Everybody knows earnings this year are going to be pretty horrid from a year-on-year perspective, so when we start to think about earnings, it's increasingly 2021 that matters," he said.

Halliburton shares fell 8 cents, or 0.7%, to \$12.17 after the oil-field-services company reported a quarterly loss of \$17 million. That was down from a profit of \$295 million in the same period last year but it



SERGIO FLORES/BLOOMBERG NEWS
Shares jumped 16% after AMC said it would resume operations in New York state beginning Friday.

beat Wall Street analysts' forecasts.

Shares of **AMC Entertainment** jumped 50 cents, or 16%, to \$3.54 after the movie-theater operator said it would resume operations at some locations in New York state beginning Friday.

ConocoPhillips shares slid \$1.07, or 3.2%, to \$32.70 after the oil giant agreed to acquire Texas shale driller **Concho Resources** in a \$9.7 billion all-stock deal. Concho shares fell \$1.34, or 2.8%, to \$47.26.

American Equity Investment Life Holding shares tumbled \$4.81, or 15%, to \$27.49. The company on Sunday rejected a takeover offer by Massachusetts Mutual Life Insurance and Athene Holding, said

it instead reached a partnership with Brookfield Asset Management.

Overseas, Chinese officials said that gross domestic product expanded by 4.9% in the third quarter from a year earlier, putting China's economy back toward its precoronavirus trajectory half a year after the pandemic gutted its economy.

Investors had a mixed reaction to the data, as the growth figure fell short of expectations. The Shanghai Composite Index fell 0.7%, while Hong Kong's Hang Seng Index rose 0.6%.

The pan-continental Stoxx Europe 600 dropped 0.2%. Euronext NV, which operates exchanges across Europe, said it had resolved a technical issue

that had halted trading in some markets.

The yield on 10-year Treasury notes ticked up to 0.760% from 0.743% on Friday.

In commodities, U.S. crude-oil futures slipped 0.1%, or 5 cents a barrel, to settle at \$40.83.

The dollar fell. The WSJ Dollar Index, which measures the currency against a basket of 16 others, dropped 0.19 percentage point, or 0.2%, to 88.42.

At midday Tuesday in Tokyo, the Nikkei was down 0.3%, the Hang Seng was up 0.1% and the Shanghai Composite was down 0.4%. U.S. stock futures were up 0.3%.

—Chong Koh Ping contributed to this article.

European Trading Disrupted

Continued from page B1
Simmons LLP.

"Euronext has become a really important exchange group," Ms. Pretorius said. "You've got one crucial set of pipes, as it were, falling over and it has the potential to have massive repercussions on the market."

The outage is the latest in a series of shutdowns on the world's biggest exchanges, despite efforts by operators to strengthen their systems. Electronic-trading volumes have soared and exchange owners have said they are contending with mounting risks associated with cyberattacks.

The Tokyo Stock Exchange halted stocks trading earlier in October, blaming faulty hardware involved in transmitting price information. Trading resumed the next day and an executive said there was no evidence of hacking.

In July 2015, a glitch forced the **New York Stock Exchange** to halt trading for nearly four hours, and in February 2019, U.S. futures-exchange operator **CME Group Inc.** halted trading for three. The London Stock Exchange suffered an outage in August 2019 that delayed

the market open by more than an hour and a half. The LSE subsequently blamed a software configuration issue.

Euronext's trading halt came at the height of earnings season for European companies. Investors Monday were parsing quarterly results from companies including French food producer Danone SA and Dutch conglomerate Koninklijke Philips NV.

Trading in French, Portuguese and Dutch stocks stopped shortly before 4 a.m. ET, less than an hour after the start of the session, according to FactSet market data. Stocks started to trade again shortly before 7 a.m. ET, the data show. Futures contracts for milling wheat, a benchmark in European agricultural markets, began to trade at around 6:30 a.m. ET instead of the allotted time of 4:45 a.m., according to FactSet.

Monday's shutdown "took pretty long to recover, which was a surprise," according to Mark Spanbroek, chairman of the FIA European Principal Traders Association, which represents market-makers. The morning outage caused minimal disruption because it didn't coincide with the expiration of derivative contracts, which could have led to confusion about the price at which contracts settled, said Mr. Spanbroek. But the failure of the closing auctions led to unnecessary volatility in prices toward the end of the session, he added.

—Pat Minczeski contributed to this article.

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Monday, October 19, 2020									
ETF	Symbol	Closing Price	Chg	YTD (%)	ETF	Symbol	Closing Price	Chg	YTD (%)
CommsSvsSPDR	XLC	59.69	-1.79	11.3	iSh1-3YTreasuryBd	SHY	86.44	...	2.1
CnsmrDlSclSector	XLY	150.97	-1.23	20.4	iSh20-YTreasuryBd	TLT	160.78	-0.38	9.8
CnsStapleSclSector	XLP	65.31	-1.30	3.7	iShRussellIMGrwth	IWP	182.85	-1.11	19.8
FinSclSectorSPDR	XLF	24.61	-1.52	-20.0	iShUSTreasuryBdETF	JYVT	27.79	...	7.1
FTDInternet	FNDL	19.47	-0.78	41.9	iShUSStimCmn	JST	50.78	...	0.7
GSActiveBetaUSLC	GSLC	69.67	-1.48	7.7	PIMCOEnShMaturity	MINT	101.96	-0.01	0.4
HealthCareSclSector	XHS	113.21	-1.58	4.3	SPDRBlmBarcHyBd	JNK	104.90	-0.21	-4.2
iShSectorSclSector	GOO	283.80	-1.63	33.5	SPDRGold	BIL	91.53	...	0.1
InvscQQQ	QQQ	283.80	-1.63	33.5	SPDRGold	GLD	178.39	0.05	24.8
InvscS&P500EW	RSP	111.89	-1.33	-3.3	SchwabIntEquty	SCHF	31.79	-0.41	-5.5
iSh3-7TreasuryBd	IEI	133.21	-0.06	5.9	SchwabUSBrdMkt	SCHB	81.92	-1.27	6.6
iShCoreDivGrwth	DGRO	40.76	-1.43	-3.1	SchwabUSDiv	SCHD	57.98	-1.28	0.1
iShCoreMSCIEAFE	IEFA	61.06	-0.36	-6.4	SchwabUSLC	SCHX	82.63	-1.45	7.6
iShCoreMSCIEM	IEEM	54.36	-0.20	-1.1	SchwabUSLC Grw	SCHE	118.01	-1.60	27.0
iShCoreMSCITotInt	IXUS	59.39	-0.39	-4.1	SchwabUSTPS	SCIP	61.45	-0.19	8.5
iShCoreS&P500	IWM	196.88	-1.12	-4.3	SPDRDJIA Tr	DIA	282.03	-1.38	-1.1
iShCoreS&P500	IJR	75.00	-1.09	-16.6	SPDRS&P500Cap	SPY	342.01	-1.52	6.3
iShS&PTotUSStkMkt	ITOT	77.55	-1.50	6.7	SPDRS&P500	SDY	95.84	-1.49	-10.9
iShCoreUSAggBd	AGG	117.75	-0.12	4.8	TechSelectSector	XLK	118.90	-1.83	29.7
iShSelectDividend	DVY	85.58	-0.95	-19.1	VanEckIntSector	XIS	63.46	-0.84	-1.8
iShEdgeMuniEAFE	EMUS	62.21	-0.58	-2.7	VanEckGLMiner	GDX	39.16	-1.68	33.7
iShEdgeMSCIMinUSA	USMV	54.92	-1.51	-8.8	VanguardInfoTech	VGT	320.80	-1.53	31.0
iShEdgeMSCIUSAom	MTUM	150.28	-1.48	19.7	VanguardSCVal	VBR	118.03	-1.18	-13.9
iShEdgeMSCIUSAQual	QUAL	105.71	-1.59	4.7	VanguardSmallCap	VBK	286.46	-0.99	4.9
iSh5-10YIGCorpBd	IGIB	60.93	...	5.1	VanguardExtMkt	VEX	137.84	-1.01	9.4
iShGoldTr	IAU	181.33	0.11	25.0	VanguardFTSE	VFM	132.06	-1.58	5.9
iShBoxSInvGrpCpBd	LOQ	135.08	-0.19	5.6	VanguardDivDewMk	VEA	41.38	-0.43	-6.1
iShBoxMuniEAFE	EMUB	62.21	-0.58	-2.7	VanguardFTSEEurope	VWO	54.60	-0.31	0.3
iShMSCIEM	EMUS	62.21	-0.58	-2.7	VanguardMSCIUSA	VUSA	51.39	-0.43	-4.4
iShMSCIACWI	ACWI	81.64	-0.98	3.0	VanguardHealth	VHT	207.09	-1.66	8.0
iShMSCIEAFE	EFA	64.50	-0.37	-7.1	VanguardHDiv	VYM	82.86	-1.42	-11.6
iShMSCIEagBdMarkets	EMEM	45.43	-0.29	1.2	VanguardInterbnd	BIV	93.19	-0.16	6.8
iShMSCIJapan	EWJ	58.97	0.12	-0.5	VanguardIntCorpBd	VCIT	95.93	-0.12	5.0
iShNatMuniBd	MUB	115.31	...	1.2	VanguardLC	VLO	159.84	-1.56	8.1
iShPfdInclcm	PFF	36.61	-0.46	-2.6	VanguardMidCap	VMC	163.59	-1.24	3.0
iShRussell1000Gwth	IWG	221.68	-1.48	26.0	VanguardMBS	VMS	54.05	...	1.7
iShRussell1000	IWB	191.80	-1.44	7.5	VanguardRealEst	VNQ	79.56	-1.56	-14.3
iShRussell1000Val	IWD	121.44	-1.43	-11.0	VanguardS&P500ETF	VSP	314.17	-1.51	6.2
iShRussell2000	IWM	160.41	-1.19	-3.2	VanguardSTBond	BSV	82.89	-0.07	2.8
iShRussellMid-Cap	IWR	60.23	-1.13	1.0	VanguardSTCpBd	VCSH	82.67	-0.07	2.3
iShRussellMValue	IWS	84.51	-1.15	-10.8	VanguardTech	VT	163.88	-1.18	-1.2
iShS&P500Growth	IYG	58.94	-1.61	21.8	VanguardTotalBd	BND	77.99	-0.09	4.9
iShShortTreasBd	SHV	110.68	-0.01	0.2	VanguardTotIntStk	VTI	175.01	-1.43	7.0
iShSilver	SLV	22.58	0.71	35.4	VanguardTotWrld	VTW	82.57	-0.95	2.0
iShTIPSBondETF	TIP	126.04	-0.24	8.1	VanguardValue	VTV	106.89	-1.36	-10.8

New Highs and Lows | WSJ.com/newhighs

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. % CHG-Daily percentage change from the previous trading session.

Monday, October 19, 2020											
Stock	52-Wk %			Stock	52-Wk %			Stock	52-Wk %		
	Sym	Hi/Lo	Chg		Sym	Hi/Lo	Chg		Sym	Hi/Lo	Chg
Highs											
Academy Sports	ASO	14.20	-0.7	BrilliantAcqRtr	BRIL	0.33	36.6	FiveBelow	FIVE	141.39	-1.1
AcmeUnited	AU	26.12	-4.7	BrookfieldRenew	CAI	31.09	9.2	FiveYear	FVNY	148.96	-0.1
AdaptHealth	AHU	29.61	1.7	CC Neuberger I	CC	11.50	3.2	Flex	FLEX	15.28	3.3
Aesmetis	AMTX	4.87	18.7	CSW Industrials	CSWI	89.04	-0.2	FormaTherap	FMTR	52.75	-2.2
AffiliatedNts60	MGRB	26.49	-0.2	CamblumNtwks	CMNM	24.00	3.0	FreedomHolding	FRHC	28.81	-0.1
AgilentTcs	A	107.62	-1.1	CapitalOnePfd	COF	25.26	-0.8	FreeportMcM	FCX	17.84	-0.1
AlbertonAcq	ALAC	11.35	4.7	CollectBiotechW	CBOW	17.0	181.9	FreeportMcM	FCX	17.84	-0.1
AldeyaTherap	ALDX	8.70	-1.9	Conduent	CDV	91.55	-1.0	FreshPayRes	FRPS	13.69	3.4
Alibaba	BABA	313.81	-0.7	CeridianHCM	CDRI	85.90	-4.7	GGP	GGP	126.00	-0.5
AlignTech	ALGN	34.71	0.8	ClearPathNeuro	CLPT	8.91	5.5	Goldfield	GF	5.13	-8.8
Alkermes	ALK	107.42	-1.0	CodeChainNew	CNC	4.10	108.2	GroupAsto	GVI	130.75	-1.1
Ameresco	AMRC	41.75	1.0	Corteva	CTVA	34.54	-1.6	GrubHub	GRUB	85.53	-1.1
AmerElecPwrUn	AEPP	55.75	4.5	Covetrus	CVET	27.70	2.0	HumaryVamT	HYTA	26.13	-1.2
Ampco-Pitt	AP	4.77	-0.4	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
Ampco-PittsWt	APWS	0.70	-0.6	Crocs	CREE	77.19	3.7	HorizonAcqNA	HZAC	10.01	-0.1
Amrop	AXR	6.49	0.2	Crocs	CREE	77.19	3.7	HoustonLokey	HL	64.94	-1.1
ArcherDaniels	ADM	51.47	1.0	Crocs	CREE	77.19	3.7	Ideco	IDEX	431.15	-1.1
Arconic	ALC	23.86	0.5	Crocs	CREE	77.19	3.7	IdexLab	IDEX	9.08	0.0
AresMgmt	ARES	45.44	-0.6	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
AthiraPharma	ATHA	21.54	13.9	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
Atlasian	ATLS	215.84	2.6	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
Autodesk	ADSK	268.44	...	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
AutoNation	AAN	64.24	-0.4	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
AxonEnterprise	AXON	113.00	-1.4	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
Ball	BLL	92.02	-0.3	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BestBuy	BBY	123.22	1.2	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BigRockPrtWt	BRPW	26.44	...	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BiohavenPharm	BHVN	79.44	-0.6	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BioSpecIncTech	BSTC	8.68	45.3	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BlackLine	BL	105.07	1.5	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BlackRock	BRK	66.64	-0.4	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
Brighthouse	BPM	105.40	0.4	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BrightonMed	BTWN	10.25	1.2	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1
BrightSphere	BSIG	15.97	2.0	Crocs	CREE	77.19	3.7	Immunex	IMNX	39.40	-1.1

HEARD ON THE STREET

FINANCIAL ANALYSIS & COMMENTARY

Jet Trade War Makes Less Sense Now

Aviation bailouts and the threat posed by China are fresh reasons for the U.S. and the EU to stop squabbling over subsidies

The 16-year-long legal battle over commercial planes between the U.S. and the European Union didn't make much sense to begin with. It is even more absurd amid the rise of China as an aerospace power and 2020's bailout of the aviation industry.

The World Trade Organization has authorized governments on both sides of the Atlantic to impose retaliatory tariffs. A year ago, it allowed the U.S. to slap \$7.5 billion a year in tariffs on European imports because plane maker **Airbus** received illegal financing to launch new jets. This past week, it granted the EU the right to levy its own tariffs, worth \$4 billion, in response to unlawful aid received by **Boeing**.

Both sides are locked in a staring contest. U.S. Trade Rep. Robert Lighthizer argued the EU has no

legal basis to act, because the Washington state tax breaks given to Boeing used to calculate the \$4 billion figure were repealed earlier this year. The EU signaled it is willing to go ahead anyway. The U.S. has threatened to retaliate.

If the legal dispute is reopened, the Covid-19 crisis poses new pitfalls. Airbus was bailed out, and so were the clients of both plane makers—the airlines. The EU would likely revive issues excluded from the latest WTO decision, such as research money given to Boeing by NASA and the Department of Defense. The political climate surrounding the U.S. election is an added complication.

Yet negotiations are continuing and there is much to suggest that, whatever the election outcome, the stars are aligning for an accord.

For one, the grounding of the 737 MAX jet left Boeing in a weaker position than in 2004, when it had a strong incentive to keep its rival away from U.S. defense contracts.

Since China won't give up its ambitions, Airbus and Boeing would benefit from ending hostilities.

Now, it has a lot to lose from tariffs, even if most are likely to be applied to nonaviation products. Plus, Airbus has de-escalated by agreeing to set debt payments granted by France and Spain linked to its A350 plane in line with market rates.

Above all, U.S. and European negotiators are increasingly aware of the need to untie their hands to face the threat of China's state-owned Comac. Major Chinese airlines are owned by the government, ensuring orders for its new C919 jet—the development of which probably contravened WTO rules.

The core of the issue is the aerospace industry doesn't lend itself to textbook free markets. Manufacturers benefit from government military spending as well as enormous economies of scale that require large upfront investments and impede entrants. Like other technology-rich companies, they mostly compete by inventing better products, not by lowering prices. The rise of Airbus, which would have been unlikely without product-specific subsidies, has cre-

ated a more competitive market.

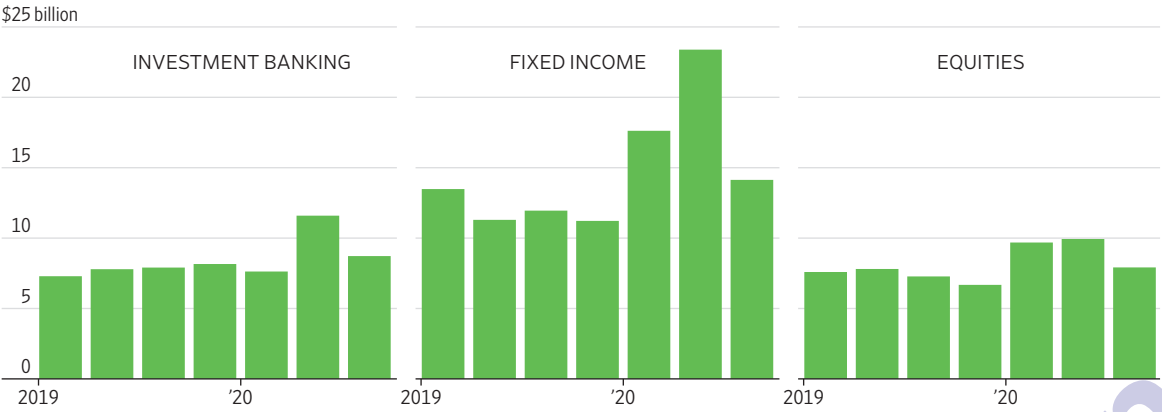
The Boeing-Airbus spat has led the WTO to spend years establishing that government money did indeed serve to create cheaper, safer and more efficient planes that made consumers better off, with the perverse purpose of penalizing this outcome.

Since China won't give up its ambition to emulate Airbus, both Western firms would benefit from a cessation of hostilities. They should be aiming to shape new plurilateral rules that are more lenient toward the development aid endemic to the industry, while still policing China's anticompetitive procurement practices.

The alternative could be many more years of fruitless legal battles.

—Jon Sindreu

Wall Street revenue for biggest banks, quarterly



Note: Includes Bank of America, Citigroup, Goldman Sachs Group, JPMorgan Chase and Morgan Stanley
Source: Jefferies

Wall Street Firms Draw Skeptics

The companies' shares don't reflect solid recent performance

Investors just don't seem to believe the good times can continue for Wall Street.

Take **Goldman Sachs**. Last week it reported record quarterly earnings per share, which were 75% better than consensus forecasts. It had its highest quarterly return on equity, an annualized 17.5% rate, in a decade. Yet in the days since, the stock has edged lower, by more than 2% since its report.

In the first three quarters of this year, across **Bank of America**, **Citigroup**, **Goldman Sachs**, **JPMorgan Chase** and **Morgan Stanley** investment banking and trading revenues are up 34% versus a year earlier, according to figures compiled by Jefferies analysts.

The years of depressed revenue that accompanied the last economic recovery may be lingering in the minds of investors. Wall Street banks suffered from an onslaught of new regulation, as well as depressed trading volumes as Federal Reserve bond-buying suppressed market volatility. But while this year may be anomalous, it doesn't mean there isn't room for long-term improvement. "The question should be what is the expectation of growth off a year like 2019," said

Wolfe Research analyst Steven Chubak. "A lot of the regulatory headwinds are already baked in."

There are some reasons activity could still be relatively good. A postelection U.S., especially if there is a change in party control, could see a flurry of corporate activity to adapt to changes in tax, spending and regulatory policy. That will likely mean revenue opportunities for investment banks. Even an economy on pause could see companies need to rework complex structured debts they took on this year, including with equity, perhaps through special-purpose acquisition companies.

The election does bring risks to activity, as traders may reel in positions to account for policy risk. But corporates are forging ahead, with more than \$1 trillion worth of merger deals struck globally in the third quarter, according to Refinitiv. Those deals will generate advisory revenue for banks when they close next year. M&A revenues are the only Wall Street business down this year, according to Jefferies.

Goldman Sachs noted that next year's transition away from the Libor rate benchmark will be big for clients. That can generate issuance,

hedging and other activity that could help make up for a lack of volatility in core interest rates set near zero.

Analysts peppered Goldman's earnings call with questions about its own M&A. Markets are a bit fuzzy on this: Investors sometimes act as if they don't like dilutive acquisitions for banks, yet can be frustrated when they don't do them. This dynamic may weigh on Goldman's shares for now. It could keep Morgan Stanley shares from fully realizing the benefits of its own deals, with E*Trade Financial and Eaton Vance, for a while.

Goldman Sachs is trading at around nine times next-12-month earnings, down a bit from where it began the year, according to FactSet. Morgan Stanley remains just under 10 times. This is despite surging returns and, in Morgan Stanley's case, acquiring a higher-multiple business. Banks in the S&P 500 overall trade at roughly 12 times.

Virtually all bank stocks are on sale, but a lot of that is predicated on credit risk and depressed interest income, where capital-markets-centric banks are less exposed. Goldman and Morgan Stanley seem to be in a better position to outperform expectations. —*Telis Demos*

5G iPhones Pack New Surprise for Qualcomm

It's hard for **Apple Inc.** to spring a surprise these days, but the company's recent iPhone 12 unveiling had a small shocker: Old adversary **Qualcomm** is getting an extra charge.

Four new iPhone 12 models were introduced last week, with two of them—the iPhone 12 and iPhone 12 Pro—hitting stores on Friday. All will include the 5G next-generation wireless standard, catching some analysts off-guard. They had predicted that the high cost of chips and limited availability of networks would drive Apple to include 5G only in the higher phones.

Instead, Apple turned its event into a full-throated embrace of 5G. It gave particular attention to the variant known as millimeter wave, or mmWave, which delivers the highest speeds but is also sharply limited in range and availability. All of the new iPhones will be compatible with mmWave standard, even though **Verizon** is the only U.S. carrier using it extensively.

That has made the iPhone 12 launch a valuable commercial for Verizon; Apple even had the carrier's chief executive, Hans Vestberg,

on stage for the event. But a company that stands to benefit even more in the near term is Qualcomm, which makes the modem chips that connect smartphones to their networks. In a report Monday, Susquehanna analyst Christopher Rolland wrote that mmWave handsets bring an extra \$18 a device to Qualcomm. He estimates this will drive an additional \$350 million to Qualcomm's revenue for its fiscal year that ends in September 2021.

That adds to the boost the chip maker already was expected to see from the new iPhones. Qualcomm had been shut out of the Apple business for the last few iPhone generations due to a bitter legal battle between the companies, but Apple's need for 5G helped drive a settlement last year.

Analysts currently expect Qualcomm's chipset revenue to jump 27% year over year for the fiscal fourth quarter ended in September, with a 60% surge projected for the December quarter. Those estimates haven't budged since last week's iPhone unveiling, which should leave Qualcomm some room for a surprise of its own.

—*Dan Gallagher*



Four new iPhone 12 models were introduced last week.

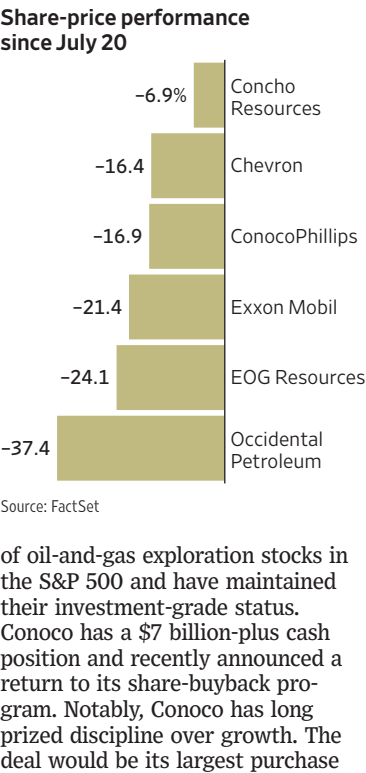
With Concho, Conoco Is Playing Offense

When an industry is in a swoon, M&A tends to serve a defensive function for the hunter, the hunted, and often both. **ConocoPhillips's** \$9.7 billion purchase of **Concho Resources** looks much more like an offensive strategy.

ConocoPhillips has agreed to acquire the smaller company in an all-stock transaction that values Concho at a modest 15% premium to its closing price on Oct. 13. Buyer's remorse seems unlikely for now: Analysts at RBC surveyed Conoco investors who would have been comfortable with a 20% premium.

If shareholders approve the deal, the combination would create the largest independent oil-and-gas company with an enterprise value of roughly \$60 billion. The companies estimate that the combination would create synergies of about \$500 million a year by 2022.

Times are tough in the business, but the combination isn't born out of desperation for either company. While shares of both have plummeted this year, both companies have outperformed a broad basket



since 2005, according to a report from Pavel Molchanov, analyst at Raymond James.

Concho's shareholders have reasons to be excited. The merger would reduce the company's leverage and give it access to Conoco's more generous dividend policy. For Conoco shareholders, Concho brings attractive shale economics: Its 2021 free cash flow break-even point is below \$30 a barrel, while Conoco's is just below \$35 a barrel, according to RBC. The deal looks like an offensive strategy for another reason: In a departure from U.S. peers, the combined company announced a target to reach net-zero emissions from operations by 2050. The move could be a key differentiator for the combined company in an investment climate that has seen big institutions dump the industry to meet environmental mandates.

At a time when European peers are doubling down on green goals and U.S. peers have mainly focused on shareholder returns, straddling both could differentiate the enlarged company.

—*Jinjo Lee*

OVERHEARD

Big technology companies really want to sell you a connected speaker device. Special promotions made them so cheap that it is hard to justify buying a compact Bluetooth speaker of similar quality, even if that is all you intend to use it for. Amazon was recently selling its third-generation Echo Dot for \$30, down from \$50, on Prime Day. Not to be outdone, you can buy a Google Nest Mini from Target for a dollar less.

The price of the hardware isn't really the point, of course: Amazon and Google hope to get more than that upfront amount out of the bargain. Your personal information and shopping dollars, and your embrace of their ecosystem, could be highly valuable.

Now one vendor of a Bluetooth speaker will undercut them both—in exchange for your soul.

Televangelist Joel Osteen normally sells his Bluetooth-connected Inspiration Cube for \$39.99. The device contains "over 400 inspiring and uplifting messages" that are "personally selected by Pastor Joel!" But now anyone making a donation to his megachurch, America's largest, can get one. The default setting is \$50 and asks donors to become a "Champion of Hope." Even a \$1 donation—and your personal details for likely future solicitations—will get you one of the devices, which can be used to listen to even the unholy audio if that is more your speed.

Now that is inspired.



Joel Osteen